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ABSTRACT

This report contains the hearings for the 1977 Youth Employment and Training Act. The act is designed to approach the problem of youth unemployment. The hearings begin with opening statements by Senator Jacob Javits, who emphasizes three major points of the proposed amendments: (1) the need for greater targeting of programs to the disadvantaged; (2) the importance of improving education and work linkages by providing incentives for cooperation between prime sponsors and local education agencies in administering in-school youth employment and training programs; and (3) the need to develop at national and state levels occupationally and geographically relevant occupational information and career development systems which provide information to in-school and out-of-school persons. Texts are presented of Senate Bill 1242, which provides for youth employment and training opportunities, and House Role 2992, an Act, which authorizes 1978 appropriations for carrying out the Comprehensive Employment and Training Act as amended. Statements from witnesses are provided chronologically for each of the three hearing days. Various statements from associations and individuals are also included. Additional information is provided in terms of relevant articles and publications and communications to and from concerned individuals. (CSS)

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YOUTH EMPLOYMENT AND TRAINING ACT OF 1977

ED169242

HEARINGS

BEFORE THE

**SUBCOMMITTEE ON EMPLOYMENT, POVERTY,
AND MIGRATORY LABOR**

OF THE

COMMITTEE ON HUMAN RESOURCES

UNITED STATES SENATE

NINETY-FIFTH CONGRESS

FIRST SESSION

ON

S. 1242

**TO PROVIDE EMPLOYMENT AND TRAINING OPPORTUNITIES
FOR YOUTH**

H.R. 2992

**TO AUTHORIZE APPROPRIATIONS FOR FISCAL YEAR 1978 FOR
CARRYING OUT THE COMPREHENSIVE EMPLOYMENT AND
TRAINING ACT OF 1973 AS AMENDED**

APRIL 20, 21, AND 22, 1977

**U.S. DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
NATIONAL INSTITUTE OF
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YOUTH EMPLOYMENT AND TRAINING ACT OF 1977

APRIL 20, 1977

U.S. SENATE,
SUBCOMMITTEE ON EMPLOYMENT, POVERTY,
AND MIGRATORY LABOR OF THE
COMMITTEE ON HUMAN RESOURCES,
Washington, D.C.

The subcommittee met, pursuant to notice, at 9:20 a.m. in room 357, Russell Senate Office Building, Senator Jacob K. Javits, presiding, pro tempore.

Present: Senators Nelson (subcommittee chairman), Williams (chairman of the full committee), Cranston, Javits, and Chafee.

OPENING STATEMENT OF SENATOR JAVITS

Senator JAVITS. The hearing will come to order.

Mr. Chairman, I would like to make just a brief opening statement.

As a principal cosponsor with Senator Nelson of the Youth Employment and Training Act of 1977, and as one of the Senators who participated in recent weeks in the development of this legislative-executive approach to the problem of youth unemployment, I would like to commend Secretary Marshall and Assistant Secretary Green for the spirit of cooperation which has made this bill possible. I am hopeful that, working together in that same spirit in the coming weeks, we will be able to complete what has been begun so admirably to enact a targeted program of employment opportunities and labor market services for unemployed youths.

As I pointed out when we introduced S. 1242, on the whole I am pleased with the intent and thrust of this bill. The problem of youth unemployment in our country has reached crisis proportions—with almost half of the total number of unemployed persons in the United States being under the age of 24. Recent data show that over a quarter-million unemployed youths are high school dropouts and that the recorded non-white unemployment rate in metropolitan poverty areas exceeds 45 percent. This is a shocking problem for our country, one that requires urgent and comprehensive solutions. I believe the bill before us represents a good starting point in ultimately ameliorating this serious and endemic structural problem.

But long-range as well as short-range solutions are required to improve the employment opportunities of our young people. As proposed by the administration, the bill seems to overemphasize the importance of short run "make-work" solutions to the youth unemployment problem. I believe, on the other hand, that if we want to remove the competitive disadvantages which plague young people in the labor market, we must adopt long-run solutions, too, specifically:

Those that emphasize linkages to the educational system, and,
Those that strengthen the development of occupational informational and career development systems.

This is why I have offered, with Senator Humphrey, amendment No. 184, which I intend to move in committee markup next week. Our amendment addresses three major points:

(1) That we need greater targeting of programs to the disadvantaged. We propose to allocate funds on the basis of youth unemployment and numbers of low-income youths;

(2) That we must improve the linkages between education and work, by providing an incentive for cooperation between prime sponsors and local education agencies in the administration of employment and training programs for in-school youths. Our amendment would earmark 15 percent of a prime sponsor's allocation for programs serving in-school youths, agreed to by prime sponsors and local education agencies. The current bill specifies that out-of-school youths are to be served "to the maximum extent feasible." This is not the way we should go; and

(3) That we need to develop at both the national and the State levels, occupationally and geographically relevant occupational information and career development systems, which can provide up-to-date labor market information for persons who are in school as well as out, who need to have an understanding of the job markets in which they seek employment. The Vocational Education Act amendments of 1976 established the National Occupational Information Coordinating Committee to make grants to States' education and manpower planners for collecting and disseminating job market data. The Labor Department has already begun in eight States a national occupational information system, for users of occupational information. I believe we should accelerate the development of each of these systems, by directing NOICC to assist individual State occupational coordinating committees to develop user-based career information systems, as well as data banks.

In conclusion, Mr. Chairman, I am pleased that the administration has sent us this bill and that we have bipartisan support for it. I am hopeful that we will be able to act quickly on it and report a bill that will begin to remedy somewhat this serious national problem.

[A copy of the bills S. 1242 and H.R. 2992 follows:]

95TH CONGRESS
1ST SESSION

S. 1242

IN THE SENATE OF THE UNITED STATES

APRIL 6 (legislative day, FEBRUARY 21), 1977

Mr. NELSON (for himself, Mr. JAVITS, Mr. WILLIAMS, Mr. CRANSTON, Mr. HUMPHREY, Mr. JACKSON, Mr. KENNEDY, Mr. RANDOLPH, and Mr. STAFFORD) introduced the following bill; which was read twice and referred to the Committee on Human Resources

A BILL

To provide employment and training opportunities for youth.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Youth Employment and
4 Training Act of 1977".

5 SEC. 2. The Comprehensive Employment and Training
6 Act of 1973 is amended by adding at the end thereof the
7 following new title:

1 "TITLE VIII—YOUTH EMPLOYMENT AND
2 TRAINING

3 "PART A—NATIONAL YOUNG ADULT CONSERVATION
4 CORPS

5 "STATEMENT OF PURPOSE

6 "SEC. 801. It is the purpose of this part to establish a
7 National Young Adult Conservation Corps to provide em-
8 ployment and other benefits to youth who would not other-
9 wise be currently productively employed, through a period
10 of service during which they engage in useful conservation
11 work and aid in completing other projects of public nature
12 on Federal and non-Federal public lands and waters.

13 "NATIONAL YOUNG ADULT CONSERVATION CORPS

14 "SEC. 802. To carry out the purposes of this part, there
15 is hereby established a National Young Adult Conservation
16 Corps to carry out projects on Federal or non-Federal public
17 lands or waters. The Secretary shall administer this part
18 through interagency agreements with the Secretaries of the
19 Interior and Agriculture. Pursuant to such interagency agree-
20 ments, the Secretaries of the Interior and Agriculture shall
21 have responsibility for the management of each Corps center,
22 including determination of Corps members' work assign-
23 ments, selection, training, discipline, and termination, and
24 shall be responsible for an effective program at each center.

1 "SELECTION OF ENROLLEES

2 "SEC. 803. (a) Enrollees of the Corps shall be selected
3 by the Secretaries of the Interior and Agriculture only from
4 candidates referred by the Secretary.

5 "(b) To qualify as an enrollee of the Corps an indi-
6 vidual, at the time of selection—

7 "(1) (A) shall have attained age sixteen but not
8 attained age twenty-two: *Provided*, That individuals
9 who have attained age sixteen but not age nineteen,
10 and have left school, shall, to qualify as enrollees, give
11 adequate assurances that they did not leave school for
12 the purpose of participating in programs financed under
13 this part; or

14 "(B) may be, notwithstanding the above and
15 under such regulations as the Secretary may prescribe,
16 persons who have attained age fourteen, but not age
17 sixteen, or individuals who have attained age twenty-
18 two but not age twenty-four; and

19 "(2) shall be citizens or lawfully admitted perma-
20 nent residents of the United States or lawfully ad-
21 mitted parolees and refugees; and

22 "(3) shall be physically and mentally capable, as
23 determined by the Secretary, of carrying out the work

1 of the Corps for the estimated duration of the individ-
2 ual's enrollment.

3 "(c) Preference for membership in the Corps shall
4 be given to those eligible under this part who reside in
5 areas determined by the Secretary under section 204 (c)
6 to have a rate of unemployment equal to or in excess of
7 6.5 per centum.

8 "(d) The Secretary shall make arrangements for
9 obtaining referral of candidates for the Corps from the
10 public employment service, prime sponsors under title I,
11 the Secretaries of Interior and Agriculture, and such other
12 agencies and organizations as the Secretary may deem
13 appropriate.

14 "(e) (1) No individual may be enrolled in the Corps
15 for a total period of more than twelve months, with such
16 maximum period consisting of either one continuous twelve-
17 month period, or three or less periods which total twelve
18 months: *Provided*, That an individual who attains the maxi-
19 mum permissible enrollment age may continue in the Corps
20 up to the twelve-month limit provided in this subsection only
21 as long as the individual's enrollment is continuous after
22 having attained the maximum age.

23 "(2) No individual shall be enrolled in the Corps if
24 solely for purposes of membership for the normal period
25 between school terms.

1 "ACTIVITIES OF THE CORPS

2 "SEC. 804. (a) Consistent with each interagency agree-
3 ment, the Secretary of the Interior or Agriculture, as appro-
4 priate, in consultation with the Secretary shall determine
5 the location of each residential and nonresidential camp-
6 site. The Corps shall perform work on projects, programs,
7 and in areas, including but not limited to:

8 "(1) tree nursery operations, planting, pruning,
9 thinning, and other silvicultural measures;

10 "(2) erosion control and flood damage;

11 "(3) wildlife habitat improvements and preserva-
12 tion;

13 "(4) range management improvements;

14 "(5) drought damage measures;

15 "(6) recreation development, rehabilitation, and
16 maintenance;

17 "(7) fish habitat and culture measures;

18 "(8) forest insect and disease prevention and con-
19 trol;

20 "(9) road and trail maintenance and improve-
21 ments;

22 "(10) general sanitation, cleanup, and mainte-
23 nance; and

24 "(11) natural disasters damage measures,

1 “(b) To the maximum extent practicable, appropriate
2 projects shall—

3 “(1) be highly labor intensive;

4 “(2) be projects for which work plans could be
5 readily developed;

6 “(3) be able to be initiated promptly;

7 “(4) provide work experience to participants in
8 skill areas required for the accomplishment of productive
9 work on the project;

10 “(5) if a residential project, be located in areas
11 where existing residential facilities for the Corps mem-
12 bers are available; and

13 “(6) be similar to activities of persons employed
14 in seasonal and part-time employment in agencies such
15 as the National Park Service, United States Fish and
16 Wildlife Service, Bureau of Reclamation, Bureau of
17 Land Management, Bureau of Indian Affairs, and the
18 Forest Service.

19 “(c) (1) The Secretaries of the Interior and Agricul-
20 ture, pursuant to agreements with the Secretary, may pro-
21 vide for such transportation, lodging, subsistence, medical
22 treatment, and other services, supplies, equipment, and facili-
23 ties as they may deem appropriate to carry out the purposes
24 of this part.

25 “(2) Whenever economically feasible, existing but un-

1 occupied or underutilized Federal, State and local gov-
2 ernment facilities, and equipment of all types, including
3 military facilities and equipment, shall be utilized for the
4 purposes of the Corps work camps, where appropriate, with
5 the approval of the Federal agency, State or local govern-
6 ment involved.

7 "CONDITIONS APPLICABLE TO CORPS ENROLLEES

8 "SEC. 805. (a) Members of the Corps shall not be
9 deemed Federal employees except for purposes of chapter
10 171 of title 28, chapter 81 of title 5, and title II of the
11 Social Security Act (42 U.S.C. 401, et seq.) ;

12 "(b) The Secretary shall, in consultation with the
13 Secretaries of Agriculture and Interior, establish standards
14 for—

15 "(1) rates of pay which shall be at least at the
16 rate set forth in section 6(a) (1) of the Fair Labor
17 Standards Act of 1938, as amended;

18 "(2) reasonable hours and conditions of employ-
19 ment, and

20 "(3) safe and healthful working and living
21 conditions.

22 "(c) To minimize transportation costs, Corps members
23 shall be assigned to projects as near to their homes as
24 practicable.

1 "AGREEMENT WITH AGENCIES AND ORGANIZATIONS

2 "SEC. 806. Consistent with interagency agreements with
3 the Secretary, the Secretaries of the Interior and Agricul-
4 ture may make grants or enter into other agreements, after
5 consultation with the Governor, with any State agency, or
6 after consultation with appropriate State and local officials,
7 with any public agency or organization or any private non-
8 profit agency or organization (which has been in existence
9 for at least five years) for the conduct of any project under
10 this part on Federal or non-Federal public lands or waters.

11 "PART B—YOUTH COMMUNITY CONSERVATION AND
12 IMPROVEMENT PROJECTS

13 "STATEMENT OF PURPOSE

14 "SEC. 811. It is the purpose of this part to establish a
15 program of community conservation and improvement proj-
16 ects to provide employment, work experience, skill training,
17 and opportunities for community service to eligible youths,
18 for a period not to exceed twelve months, supplementary to,
19 but not replacing opportunities available under title I of
20 this Act.

21 "DEFINITIONS

22 "SEC. 812. As used in this part, the term—

23 "(1) 'eligible applicant' means any prime sponsor
24 designated under section 102 of the Act and Indian

1 tribes, bands, and groups qualified under section 302 (c)
2 (1) of this Act.

3 “(2) ‘project applicant’ shall have the same mean-
4 ing as in section 701 (a) (15) of this Act.

5 “(3) (A) ‘eligible youth’ means any unemployed
6 individual who at the time of employment, has attained
7 the age sixteen but not age twenty-two;

8 “(B) notwithstanding paragraph (A), under such
9 regulations as the Secretary may prescribe, persons who
10 have attained age fourteen, but not age sixteen, and per-
11 sons who have attained age twenty-two but not age
12 twenty-four may be ‘eligible youth’.

13 “(4) ‘community improvement projects’ means proj-
14 ects which provide work which would not otherwise be
15 carried out, including, but not limited to, the rehabilita-
16 tion or improvement of public facilities; neighborhood
17 improvements, including basic repairs to low-income
18 housing; and conservation, maintenance, or restoration
19 of natural resources on publicly held lands other than
20 Federal lands.

21 “ALLOCATION OF FUNDS

22 “SEC. 813. (a) In allocating funds appropriated under
23 this part, the Secretary shall take into consideration the
24 severity of unemployment among eligible youths residing in

1 the areas served by each eligible applicant; *Provided, how-*
 2 *ever,* That not less than one-half of 1 per centum of all
 3 amounts appropriated to carry out this part shall be granted
 4 under this part for programs within any one State, except
 5 that in the case of Guam, the Virgin Islands, American
 6 Samoa, the Northern Marianas, and the Trust Territory of
 7 the Pacific Islands, not less than one-half of 1 per centum
 8 in the aggregate shall be granted for such projects in all five
 9 of these jurisdictions.

10 "COMMUNITY CONSERVATION AND IMPROVEMENT YOUTH
 11 EMPLOYMENT PROGRAM

12 "SEC. 814. The Secretary is authorized, in accordance
 13 with the provisions of this part, to enter into agreements
 14 with eligible applicants to pay the costs of community
 15 improvement projects to be carried out by project appli-
 16 cants using exclusively eligible youth and appropriate
 17 supervisory personnel.

18 "PROJECT APPLICANT APPLICATIONS

19 "SEC. 815. (a) Project applicants shall submit appli-
 20 cations for funding of projects under this part to the appro-
 21 priate eligible applicant.

22 "(b) In accordance with regulations prescribed by
 23 the Secretary each project application shall—

24 "(1) provide a description of the work to be ac-
 25 complished by the project, the jobs to be filled, and

1 the approximate duration for which the eligible youth
2 would be assigned to such jobs;

3 "(2) provide a description of job training and
4 skill development opportunities that will be made avail-
5 able to participating eligible youth, as well as a descrip-
6 tion of plans to coordinate the training and work expe-
7 rience with school related programs including the award-
8 ing of academic credit in accord with regulations
9 prescribed by the Secretary;

10 "(3) describe the wages or salaries to be paid
11 persons employed in jobs assisted under this part;

12 "(4) set forth assurances that there will be an
13 adequate number of supervisory personnel on the proj-
14 ect and that the supervisory personnel are adequately
15 trained in skills needed to carry out the project and
16 can instruct participating eligible youths in skills needed
17 to carry out a project;

18 "(5) set forth assurances that any income gener-
19 ated by the project will be applied toward the cost of
20 the project;

21 "(6) set forth assurances for acquiring, including
22 by reasonable payment or rental, such space, supplies,
23 materials, and equipment as necessary;

24 "(7) set forth assurances that, to the maximum ex-

1 tent feasible, projects carried out under this part shall
2 be labor intensive;

3 “(8) describe the method of recruiting eligible
4 youth, including a description of how such recruitment
5 is coordinated with plans under other parts of this title
6 and with arrangements required by section 105 of this
7 Act, and also including arrangements with school sys-
8 tems and the public employment service, including its
9 school cooperative programs; and

10 “(9) set forth such other assurances, arrangements,
11 and conditions as the Secretary deems appropriate to
12 carry out the purposes of this part.

13 “PROPOSED AGREEMENTS

14 “SEC. 816. (a) Each eligible applicant desiring funds
15 under this part shall submit a proposed agreement to the
16 Secretary,

17 “(b) The proposed agreement shall contain the project
18 applications approved by the eligible applicant, and other
19 information and assurances as prescribed by the Secretary
20 to carry out the purposes of this part.

21 “(c) (1) In order for a project application submitted
22 by a project applicant to be submitted to the Secretary by
23 the eligible applicant, copies of such application shall have
24 been submitted at the time of such application to the prime
25 sponsor's planning council established under section 104,

1 or a like organization as determined by the Secretary, for
2 the purpose of affording such council an opportunity to sub-
3 mit comments and recommendations with respect to that
4 application to the eligible applicant. No member of a prime
5 sponsor's planning council, or like organization, shall cast
6 a vote on any matter in connection with a project in which
7 that member (or any organization with which that member
8 is associated) has a direct interest.

9 " (2) Consistent with procedures established by the
10 eligible applicants in accordance with regulations which the
11 Secretary shall prescribe, the eligible applicant shall not
12 disapprove a project application submitted by a project
13 applicant unless it has first considered any comments and
14 recommendations made by the prime sponsor's planning
15 council, or like organization, and unless it has provided such
16 applicant and the planning council, or like organization,
17 with a written statement of its reasons for such disapproval.

18 "AGREEMENTS

19 "SEC. 817. (a) The Secretary of Labor may approve
20 or deny the project applications included in each proposed
21 agreement on an individual basis.

22 " (b) No funds shall be made available to the eligible
23 applicant except pursuant to an agreement entered into be-
24 tween the Secretary and the eligible applicant which pro-
25 vides assurances satisfactory to the Secretary that—

1 “(1) the standards set forth in part D will be
2 satisfied;

3 “(2) projects will be conducted in such manner as
4 to permit the eligible youth employed in the project
5 who are in school to coordinate the job with classroom
6 instruction and, to the extent feasible, to permit such
7 eligible youths to receive credit from the appropriate
8 educational agency or school involved; and

9 “(3) meet such other assurances, arrangements,
10 and conditions as the Secretary deems appropriate to
11 carry out the purposes of this part.

12 “WORK LIMITATION

13 “SEC. 818. No eligible youth shall be employed more
14 than twelve months in work financed under this part, except
15 as prescribed by the Secretary.

16 “PART C—COMPREHENSIVE YOUTH EMPLOYMENT AND
17 TRAINING PROGRAMS

18 “STATEMENT OF PURPOSE

19 “SEC. 831. It is the purpose of this part to establish
20 comprehensive programs, supplementary to but not replac-
21 ing programs and activities available under title I of this
22 Act, to enhance the job prospects and career opportunities
23 of young persons, including employment, community service
24 opportunities, and such training and supportive services
25 as are necessary to enable participants to secure suitable

1 and appropriate unsubsidized employment in the public and
2 private sectors of the economy. To the maximum extent
3 feasible, training and employment opportunities afforded
4 under this part shall be interrelated and mutually reinforcing
5 so as to achieve the goal of enhancing the job prospects
6 and career opportunities of persons served under this part.

7 "PROGRAMS AUTHORIZED

8 "SEC. 832. The Secretary is authorized to provide, subject
9 to such terms and conditions as he deems appropriate,
10 financial assistance to enable eligible applicants (as defined
11 in section 834) to provide employment opportunities and appropriate
12 training and supportive services for eligible participants
13 including but not limited to:

14 "(a) useful work experience opportunities in a wide
15 range of community betterment activities such as the rehabilitation
16 of public properties, assistance in the weatherization of homes
17 occupied by low-income families, demonstrations of energy-conserving
18 measures including solar energy techniques (especially those utilizing
19 materials and supplies available without cost), park establishment
20 and upgrading, neighborhood revitalization, conservation and improvement,
21 and related activities;

22 "(b) meaningful and productive employment and
23 work experience in fields such as education, health care,

1 neighborhood transportation services, crime prevention
2 and control, environmental quality control, preservation
3 of historic sites, and maintenance of visitor facilities;
4 and

5 "(c) appropriate training and services to support
6 the objective of this part, including but not limited to:

7 "(1) outreach, assessment, and orientation;

8 "(2) counseling;

9 "(3) activities promoting education to work
10 transition;

11 "(4) provision of occupational, educational
12 and training information;

13 "(5) services to youth to help them obtain
14 and retain employment;

15 "(6) literary and English as a second language;

16 "(7) attainment of certificates of high school
17 equivalency;

18 "(8) job sampling, including vocational ex-
19 ploration in the public and private sector;

20 "(9) institutional and on-the-job training;

21 "(10) transportation assistance; and

22 "(11) other necessary supportive services.

23 "ALLOCATION OF FUNDS

24 "SEC. 833. (a) Fifty per centum of the funds available
25 for this part in any fiscal year shall be allocated as follows

1 for the purpose of carrying out programs authorized under
2 section 832:

3 " (1) 75 per centum of the amount allocated under
4 this subsection shall be allocated on the basis of the
5 relative number of unemployed persons within the State
6 as compared to such numbers in all States; and

7 " (2) 25 per centum of the amount allocated under
8 this subsection shall be allocated on the basis of the
9 relative number of persons in families with an annual
10 income below the low-income level within the State
11 compared to such total numbers in all States.

12 " (3) In determining allocations under this sub-
13 section, the Secretary shall use what he or she deter-
14 mines to be the most recent and best available data.

15 " (b) The sum allocated to each State shall be allocated
16 by the Secretary among areas within the State, as deter-
17 mined by the Secretary, on an equitable basis based upon
18 the factors set forth in subsection (a).

19 " (c) The Secretary is authorized to make such real-
20 locations as he or she deems appropriate of any amount of
21 any allocation under subsections (a) and (b) to the extent
22 that the Secretary determines that an eligible applicant will
23 not be able to use such amount within a reasonable period
24 of time. Any such amount may be reallocated only if the
25 Secretary has provided thirty days' advance notice of the

1 proposed reallocation to the eligible applicant for such area
2 and to the Governor of the State of the proposed realloca-
3 tion, during which period of time the eligible applicant and
4 the Governor may submit comments to the Secretary. After
5 considering any comments submitted during such period of
6 time, the Secretary shall notify the Governor and affected
7 eligible applicants of any decision to reallocate funds, and
8 shall publish any such decision in the Federal Register.
9 Priority shall be given in reallocating such funds to other
10 areas within the same State.

11 “(d) The remaining 50 per centum of the funds avail-
12 able for this part shall be available for innovative and ex-
13 perimental programs authorized under section 838.

14 “ELIGIBLE APPLICANTS

15 “SEC. 834. Eligible applicants under this part are prime
16 sponsors, as defined in section 102 of this Act, and Indian
17 tribes, bands, and groups qualified under section 302 (c) (1)
18 of this Act.

19 “ELIGIBLE PARTICIPANTS

20 “SEC. 835. (a) Eligible participants in programs au-
21 thorized under this part shall be limited to persons who—

22 “(1) are unemployed;

23 “(2) at the time of entrance into a program au-
24 thorized by this part, have attained the age sixteen but
25 not age twenty-two: *Provided*, That pursuant to such

1 regulations as the Secretary may prescribe, persons who
2 have attained age fourteen, but not age sixteen, and
3 persons who have attained age twenty-two but not age
4 twenty-four may be eligible participants; and

5 “(3) are not members of households which have
6 current gross family income, adjusted to an annualized
7 basis (exclusive of unemployment compensation and
8 other public payments which the individual will be dis-
9 qualified from receiving by reason of assistance under
10 this part) at a rate exceeding 70 per centum of the
11 lower living standard income level: *Provided*, That ac-
12 tivities of the type authorized under sections 832 (c)
13 (2), (3), (4), (5), (8), and (11) may be provided
14 to persons meeting the requirements of paragraph 2
15 of this subsection who would not otherwise be eligible
16 under this part.

17 “(b) For purposes of this section, the term ‘lower
18 living standard income level’ means that income level
19 (adjusted for regional and metropolitan and urban and
20 rural differences and family size) determined annually by
21 the Secretary based upon the most recent ‘lower living
22 standard budget’ issued by the Bureau of Labor Statistics
23 of the Department of Labor.

24 “(c) To the maximum extent feasible, programs under
25 this part shall be targeted on participants who are out of

1 school, out of work, and experiencing severe handicaps in
 2 obtaining employment, including but not limited to those
 3 who lack credentials, such as a high school diploma, and
 4 those who require substantial basic and remedial skill
 5 development.

6 "CONDITIONS FOR RECEIPT OF FINANCIAL ASSISTANCE

7 "SEC. 836. The Secretary shall not provide financial
 8 assistance to an eligible applicant for programs authorized
 9 under section 832 unless such eligible applicant provides
 10 assurances that the standards set forth in part D will be
 11 met and—

12 "(1) includes in its comprehensive manpower
 13 plan submitted pursuant to section 105 or section 302

14 (c) (1) of this Act (or for fiscal year 1977, as an
 15 amendment thereto), a description of the program to
 16 be provided to eligible participants, together with a
 17 description of the relationship and coordination of serv-
 18 ices provided to eligible participants under this part
 19 of similar services offered by local educational agencies,
 20 post-secondary institutions, the public employment serv-
 21 ice, other youth programs, community-based organiza-
 22 tions, businesses, and labor organizations consistent with
 23 the requirements of sections 105 and 106 of this Act;

24 "(2) provides assurances, satisfactory to the Secre-
 25 tary, that in the implementation of programs under

1 this part, there will be coordination, as appropriate,
2 with local educational agencies, postsecondary institu-
3 tions, other youth programs, community-based organiza-
4 tions, businesses, labor organizations, other job training
5 programs, the apprenticeship system, and with respect
6 to the referral of prospective youth participants to the
7 program, the public employment service system;

8 " (3) provides assurances satisfactory to the Secre-
9 tary, that to the maximum extent feasible, programs or
10 components of programs conducted under this part will
11 be linked, where appropriate, to comprehensive work
12 and training programs conducted by prime sponsors
13 under title I of this Act;

14 " (4) provides assurances satisfactory to the Secre-
15 tary that allowances will be paid in accordance with the
16 provisions of section 111 (a) of this Act and such regu-
17 lations as the Secretary may prescribe for this part; and

18 " (5) provides such other information and assur-
19 ance as the Secretary may deem appropriate to carry
20 out the purposes of this Act.

21 "FEDERAL ADMINISTRATION

22 "SEC. 837. The provisions of sections 108, 109, and
23 110 of this Act shall apply to all programs and activities
24 authorized under section 832.

1 INNOVATIVE AND EXPERIMENTAL PROGRAMS

2 "SEC. 838. (a) There are authorized to be established
3 innovative and experimental programs to test new ap-
4 proaches for dealing with the unemployment problems of
5 youth. In establishing such programs, the Secretary shall
6 consult, as appropriate, with the Secretaries of Commerce,
7 Health, Education, and Welfare, Housing and Urban De-
8 velopment and with the Director of ACTION. Such pro-
9 grams shall include, where appropriate, cooperative arrange-
10 ments with educational agencies to provide special programs
11 and services for eligible participants enrolled in secondary
12 schools, including job experience, counseling and guidance
13 prior to the completion of secondary school and making avail-
14 able occupational, educational and training information
15 through statewide career information systems.

16 "(b) Three-fourths of the funds available under section
17 833 (d) to carry out this section shall be provided to eligible
18 applicants on the basis of applications submitted to the Sec-
19 retary. The Secretary shall review and approve such appli-
20 cations, on the basis of criteria which he or she shall estab-
21 lish, which shall include but not be limited to—

22 "(1) standards of local need, as evidenced by the
23 severity of unemployment problems among low-income
24 youth participants in the area to be served;

25 "(2) demonstrated effectiveness in dealing with

1 the unemployment problems of youth, as indicated by
 2 the past performance record of the eligible applicant;
 3 and

4 “(3) the quality of the program proposal, as deter-
 5 mined by the Secretary in accord with such standards
 6 as the Secretary shall establish.

7 “(c) The remaining one-fourth of the funds available
 8 under section 833 (d) to carry out this section shall be used
 9 at the Secretary's discretion to carry out innovative and ex-
 10 perimental programs for eligible participants, for the pur-
 11 poses of preparing them for, enhancing their prospects for,
 12 or securing their employment in jobs through which they
 13 may be reasonably expected to advance to productive work-
 14 ing lives.

15 “ACADEMIC CREDIT

16 “SEC. 839. In the administration of this part, appropriate
 17 efforts shall be made to encourage the granting by the edu-
 18 cational agency or school involved of academic credit to
 19 eligible participants who are in school.

20 “PART D—GENERAL PROVISIONS

21 “SEC. 851. Pursuant to such regulations as the Secre-
 22 tary deems appropriate, all activities funded under this title
 23 shall meet the following standards:

24 “(a) The activities—

25 “(1) will result in an increase in employment

24

1 opportunities over those opportunities which would
2 otherwise be available,

3 “(2) will not result in the displacement of cur-
4 rently employed workers (including partial dis-
5 placement such as reduction in the hours of non-
6 overtime work or wages or employment benefits),

7 “(3) will not impair existing contracts for
8 services or result in the substitution of Federal for
9 other funds in connection with work that would
10 otherwise be performed, and

11 “(4) will not substitute jobs assisted under this
12 title for existing federally assisted jobs.

13 “(b) Jobs funded under this title shall be in addi-
14 tion to those that would be funded in the absence of
15 assistance under this title;

16 “(c) The project applicant will not employ any
17 youth when any other person is on layoff by such appli-
18 cant from the same or any substantially equivalent job.

19 “(d) No funds received under this title will be used
20 to employ any person to fill a job opening created by
21 the act of an employer in laying off or terminating
22 employment of any regular employee, or otherwise
23 reducing the regular work force not supported under this
24 title in anticipation of filling the vacancy so created by
25 hiring a youth to be supported under this title;

1 “(e) The jobs in each promotional line will in no
2 way infringe upon the promotional opportunities which
3 would otherwise be available to persons currently em-
4 ployed in public services not subsidized under this title
5 and no job will be filled in other than an entry level
6 position in each promotional line.

7 “(f) Members of the target population to be
8 served by the program shall be consulted with and
9 their views taken into consideration.

10 “(g) Where a labor organization represents em-
11 ployees who are engaged in similar work in the same
12 area to that proposed to be performed under the pro-
13 gram for which an application is being developed for
14 submission under this title, such organization shall be
15 notified and shall be afforded a reasonable period of
16 time prior to the submission of the application in which
17 to make comments to the applicant and to the Secretary.

18 “(h) The provisions of section 605(b) of this
19 Act shall apply.

20 “(i) Activities funded under this title shall meet
21 such other standards as the Secretary may deem appro-
22 priate to carry out the purposes of this Act.

23 “(j) Rates of pay under parts B and C shall be
24 no lower than the highest of—

1 " (1) the minimum wage under section 6 (a)
2 (1) of the Fair Labor Standards Act of 1938;
3 " (2) the State or local minimum wage for the
4 most nearly comparable employment; or
5 " (3) The prevailing rates of pay for persons
6 employed in similar occupations by the same em-
7 ployer: *Provided, however,* That in the case of
8 projects to which the provisions of the Davis-Bacon
9 Act (or of any Federal law containing labor stand-
10 ards in accordance with the Davis-Bacon Act)
11 otherwise apply, the Secretary is authorized, for
12 projects financed under parts B and C of this title
13 of under \$5,000, to prescribe rates of pay for youth
14 participants which are not less than the applicable
15 minimum wage but not more than the wage rate
16 of the entering apprentice in the most nearly com-
17 parable apprenticeable trade, and to prescribe the
18 appropriate ratio of journeymen to such partici-
19 pating youths.

20 "EDUCATION CREDIT

21 "SEC. 852. The Secretary in carrying out the purposes
22 of this title, shall work with the Department of Health,
23 Education, and Welfare to make suitable arrangements
24 whereby academic credit may be awarded by educational
25 institutions and agencies for competencies derived from work

1 experience obtained through programs established under this
2 title.

3 "EVALUATION

4 "SEC. 853. Programs provided under this title shall
5 be subject to continuing performance evaluation pursuant
6 to the provisions of section 313 (a) of this Act.

7 "TRAINING AND TECHNICAL ASSISTANCE

8 "SEC. 854. Training and technical assistance may be
9 provided to eligible applicants conducting programs and
10 activities under parts B and C of this title in accordance
11 with the provisions of section 315 of this Act. Technical
12 assistance to be provided by the Secretary shall emphasize
13 the development and exchange of viable and proven program
14 models and program information to assist eligible applicants
15 in the design and modification of local program initiatives."

16 AUTHORIZATION OF APPROPRIATION

17 SEC. 3. (a) There are authorized to be appropriated
18 such sums as may be necessary for the fiscal year ending
19 September 30, 1977, and for the fiscal year ending Sep-
20 tember 30, 1978, to carry out the provisions of title VIII
21 of the Comprehensive Employment and Training Act of
22 1973 (as amended by this Act).

23 (b) Funds necessary to carry out their responsibilities
24 under part A shall be made available to the Secretaries
25 of the Interior and Agriculture in accord with interagency

1 agreements between the Secretaries of the Interior and Agri-
2 culture and the Secretary.

3 **RELATION TO OTHER PROVISIONS OF LAW**

4 **SEC. 4.** The provisions of title VII of the Comprehen-
5 sive Employment and Training Act of 1973, as amended,
6 shall apply to programs under this Act, except that, to the
7 extent that such provisions are inconsistent with the provi-
8 sions of this Act, the provisions of this Act shall prevail.

9 **EFFECTIVE DATE**

10 **SEC. 5.** The provisions of this Act shall become effec-
11 tive upon enactment.

99TH CONGRESS
1st Session

H. R. 2992

IN THE SENATE OF THE UNITED STATES

MARCH 30 (legislative day, FEBRUARY 21), 1977

Read twice and referred to the Committee on Human Resources

AN ACT

To authorize appropriations for fiscal year 1978 for carrying out the Comprehensive Employment and Training Act of 1973 as amended.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That there are authorized to be appropriated such sums as
4 may be necessary for the fiscal year ending September 30,
5 1978, for carrying out the provisions of titles I to VII of
6 the Comprehensive Employment and Training Act of 1973,
7 as amended.

Passed the House of Representatives March 29, 1977.

Attest: EDMUND L. HENSHAW, JR.,

Clerk.

II

Senator JAVITS. Our first witness this morning, which is the opening of hearings on youth employment, the class of unemployed which most require targeting from the point of view of dealing with the problems, will be Senator Henry Jackson, our colleague in the Senate.

Senator Jackson, we are honored to have you before us.

**STATEMENT OF HON. HENRY M. JACKSON, A U.S. SENATOR FROM
THE STATE OF WASHINGTON**

Senator JACKSON. Thank you, Mr. Chairman.

I have a formal statement and, with your permission, I would like to place the entire statement in the record as if read at this point.

Senator JAVITS. Without objection, it is so ordered.

[The prepared statement of Senator Jackson follows:]

STATEMENT OF SENATOR HENRY M. JACKSON-April 26, 1977
BEFORE THE SUBCOMMITTEE ON EMPLOYMENT, POVERTY AND MIGRATORY LABOR
OF THE SENATE COMMITTEE ON HUMAN RESOURCES

Mr. Chairman, members of the Committee:

I greatly appreciate the opportunity to appear before you today to present my views on the Young Adult Conservation Corps portion of S. 1242, the Administration's youth employment proposal. While I may wish to submit some specific suggestions for the record regarding this proposal, I would like to make a few general comments this morning concerning the involvement of Congressman Needs and myself with the Young Adult Conservation Corps concept and how we feel the program can and should work.

As you know Mr. Chairman, in the last Congress, Congressman Needs and I introduced legislation which would have established a Young Adult Conservation Corps to complement the highly successful Youth Conservation Corps (YCC). Like the YCC, this new program was to be administered by the Secretaries of the Interior and Agriculture and was patterned after the Civilian Conservation Corps of the 1930's. The purpose of this new Young Adult Conservation Corps was two fold:

- (1) to provide employment opportunities for young adults -- age 16-24 -- and thereby reduce the persistently high rate of youth unemployment; and
- (2) to help reduce the large backlog of conservation-related projects on the nation's public lands and waters.

The House version of this legislation, H.R. 10138, passed that body on May 25, 1976, by a vote of 291-70. On June 17, 1976, the Senate Interior and Insular Affairs Committee conducted a hearing on this measure and its Senate companion which I sponsored, S. 2630. We reported the House bill with only a few technical amendments on July 28, 1976. However, because of the press of last minute Senate business prior to adjournment and a less than enthusiastic Administration, the bill was not enacted last Congress. Congressman Needs and I have, as you know, reintroduced our bills this Congress and are both very anxious to see this program or something very similar, enacted this year.

Mr. Chairman, I am very pleased to see that President Carter has incorporated the Young Adult Conservation Corps concept into his youth employment package. Part A of S. 1242, generally reflects the program that Congressman Needs and I have advocated for some time now.

It would establish a National Young Adult Conservation Corps, administered by the Secretary of Labor through agreements with the Secretaries of the Interior and Agriculture. The program would engage youth, primarily aged 16-24, in conservation projects and in the maintenance and improvement of public lands and waters.

- 2 -

The principal difference between the Administration's proposal and ours is that under S.1242, the YACC program will be administered by the Secretary of Labor through interagency agreements with the Secretaries of Interior and Agriculture. Under the various proposals which we have introduced, the program would be administered only by the Secretaries of the Interior and Agriculture. While I understand the Administration's desire to consolidate these three youth programs under the general direction of the Secretary of Labor, I feel that it is imperative that the Secretaries of the Interior and Agriculture have the necessary authority to manage this program on the lands they administer. The Departments of the Interior and Agriculture have an excellent record with regard to the administration of the summer YOC program. Additionally, the Departments, and especially the individual land managers, know what jobs need doing on the public lands and how to get them done. If this is to be a meaningful employment program as well as an effective conservation program, the Secretaries and especially the federal land managers in the field, must have the authority to identify, select, and manage the work projects on their lands.

The other general comments I would like to make concern funding. The Administration has proposed to spend three hundred and fifty million for the YACC program over the next 18 months for some 35,000 positions. Mr. Chairman, I hope that this Committee will seriously consider significantly increasing this authorization. The Departments of the Interior and Agriculture have estimated that they have a backlog of some 700,000 man years of work on the Nation's public lands and waters which could be greatly reduced under this type of program. It is interesting to note that last summer approximately 200,000 young people applied for only 20,000 YOC positions.

With 3.4 million youth age 16-24 unable to find work and the very large backlog of important conservation projects waiting to be done, I hope that we can make a more ambitious beginning. I would like to see the authorization increased to at least \$500 million for the first 18 months. This will provide employment opportunities for approximately 50,000 young adults and will, in my view, more adequately reflect the serious need that can be met by this program.

Finally, Mr. Chairman, I want to commend you and the members of this Committee for your expeditious consideration of this proposal. In the weeks ahead, both Congressman Meeds and I stand ready to assist the Committee in any way we can to ensure enactment of a Young Adult Conservation Corps program.

[End of Senator Jackson's formal statement.]

Senator JACKSON. Mr. Chairman, with me today is Congressman Lloyd Meeds who has long been active in the Youth Conservation Corps legislation and was responsible last year for the passage of H.R. 10138, which was approved by the House on May 25 by a vote of 291 to 70. The similar bill which I sponsored in the Senate was approved by the Senate Interior Committee and sent to the Senate, but the matter did not come up to a final vote due to budgetary disputes and an unfavorable administration in the closing days of the session. I want to say that I am very pleased that the President has incorporated the Young Adult Conservation Corps concept into his youth employment package—S. 1242—which is the bill that you, myself, and others have sponsored.

Mr. Chairman, I would make just one basic comment here and that is, the administration has proposed to spend \$350 million for the Young Adult Conservation Corps over the next 18 months to provide for some 35,000 positions. As the chairman knows, there are some 3.4 million young people between 16 and 24 who are unable to find work. On top of that, we have a very large backlog of important conservation projects waiting to be done. I want to express this as a key thing to the members of the committee; I would hope that we could have a little more of an ambitious beginning as far as this program is concerned.

I would like to suggest that instead of 35,000 positions we increase that number to 50,000, and that the funding be increased to \$500 million. I believe that this is essential if we are going to truly do something about the youth employment problem and the backlog of conservation-related projects of the public lands.

And, finally, Mr. Chairman, I would like to point out that I hope we will be able to work out our problems in connection with the procedures under which this program would operate. As I understand it, the Secretary of Labor will handle the recruitment of the people who will be available in connection with this program, and I think that makes some sense. However, I am deeply concerned that the Departments of the Interior and Agriculture have some control over the final selection of enrollees. As I understand it, that is what has been worked out. That is, and I want the record to be clear about this point, that the Department of Labor will provide the "roster", so to speak, and the two departments, Interior and Agriculture, will be able to select enrollees from that roster because of the obvious special needs that the departments have on the lands they administer.

I believe we have come a long way in getting that resolved and I know of the time and effort the chairman has put into this and I want to express my appreciation to him and the members of the committee.

Senator JAVITS. Thank you very much, Senator.

Senator Nelson has been a very principal architect of our agreement with the administration. I had a part in it; others have as well, who have had bills just like the Senator. What you have stated is correct about the legislative purpose respecting that particular element of the program which you describe. We shall do our best to sustain it.

Senator JACKSON. I want to thank the chairman.

Senator JAVITS. I would like to congratulate the Senator on the success of his efforts. He has tried with us for a long time. And I know

Senator Nelson, as I, will be much impressed with his view that we ought to up the figure to 50,000.

I hope when Secretary Marshall testifies—he is here—he will give us his view on that.

Senator JACKSON. I want to say as I leave here, that Congressman Meeds, of course, has been the mover in the House over the years for the Youth Conservation Corps initially, and of course, now the Young Adult Conservation Corps, and I would like to present Congressman Meeds to the committee, Mr. Chairman.

Senator JAVITS. Thank you, Senator Jackson.

Congressman Meeds, I know you well personally. Our chairman does as well. I am delighted to have you here and consider it an honor you should come up to the Senate and testify.

STATEMENT OF HON. LLOYD MEEDS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. MEEDS. Than you very much, Mr. Chairman.

I want to express my appreciation, first of all, on the record to Senator Jackson and to indicate to this committee that I am very pleased to be here this morning in support of S. 1242.

As Senator Jackson has pointed out, I worked very closely with these kinds of programs on the House side and I would like to speak a little later particularly to part A of S. 1242.

But, let me at the outset say that I think S. 1242 embodies a well balanced concept, and that is the Youth Conservation Corps or old CCC types of programs under part A, and then an urban conservation corps, as I understand it, under part B and the use of the CETA programs, the title III programs with all of the innovation for outreach, for training and then for placement and follow through which it contains.

I think this is an excellent balance to respond to the various segments of the youth unemployment problem. And, speaking of that problem, I think while it may be a little boring to some people it is always good to iterate the very serious nature of that problem.

As Senator Jackson points out, here we are a rich and prosperous Nation with a relatively high unemployment rate. But, when we start talking about youth unemployment we are talking about somewhere in the area of three times the national average. And, as Senator Javits well knows, in some of the urban areas of this country, if you go into the central city you find unemployment rates as high as 40 and 60 percent among young people between the ages of 18 and 25, and among young black women almost 100 percent in some instances.

It is, as somebody has said, "social dynamite." I don't think there is any question that it is social dynamite and unless we have some programs directed to meet these problems we are going to, as a Nation, very seriously regret our failure to do so.

The worst part about this is that we are spawning disenchantment with the world of work and the life of accomplishment at the very outset, at the very doorstep of the beginning productivity of these young people. There is nothing for them to do and they fall into a life of idleness at the very threshold of their beginning productive life.

And so, I would point out that it is no mere coincidence that the very high rate of unemployment exists with young people between the ages of 18 and 25, and the very high rate of crime also exists with regard to this same group of people. Indeed, the latest FBI index of recorded crimes indicates that over half of all the crime in the United States was committed by young people under the age of 25.

I think that is a very serious indictment of a society which has both this high rate of crime and this high incidence of unemployment in the same age groups. About a year ago, Senator Javits observed the program *Meet the Press*. The program had as its guests about six of the chiefs of police of the major cities of this Nation.

As the program was nearing an end the columnist, Mr. Rowan, of the *Washington Post* asked the entire group if there was one thing which they could do to cut crime in their cities, what would it be? You would have thought that those hardbitten chiefs of police would have said, more policemen, bigger jails, tougher judges, all kinds of things which one might have expected them to say.

Instead, four of the six said, "put young people to work, that will cut the crime in our cities more than any single thing that can be done." And I think that they are right on target with that observation because it seems to me that the single greatest factor in crime among young people today, not only in our cities but elsewhere, is idleness.

Mr. Chairman, I appreciate very much the opportunity to be here to plug for these excellent programs and I hope the Senate and the House will proceed expeditiously to bring this proposal to fruition.

Senator JAVITS. Thank you very much, Congressman Meeds.

Before I turn the chair over to Senator Williams, the chairman of our whole committee, I would like to make a tribute to your long-standing work in this field. In due course, when Secretary Marshall and Mr. Green testify, we will pay tribute to them which they richly deserve for their splendid cooperation which brings to us a bill ready to be enacted.

We will ask them, just as I said of Senator Jackson, how they feel about your suggestion. Thank you very much for appearing to testify.

Do you have any questions, Senator?

Senator WILLIAMS. No; just to thank Congressman Meeds. We are glad to have him here to play an important role in this bill.

Mr. MEEDS. Thank you both very much.

Senator JAVITS. Our next witness is the Secretary of Labor, accompanied by Assistant Secretary for Employment and Training, Ernest Green.

Mr. Secretary, we welcome you this morning. Senator Williams wishes me to continue to preside, so I will. Will you proceed with your statement. Would you like it made part of the record and summarize it?

If we could provide, as S. 1242 does, constructive solutions to idleness, then I think we will have gone a long way down the path to finding the solution to crime. There is no single solution to it, obviously, but here is one that provides a better answer than almost any single other thing.

And, finally, let me just point out that I, too, would join Senator Jackson in urging that this program be increased, particularly in part A and that we look forward to hiring in the next 18 months 50,000 young people and putting them in the National Youth Conservation Corps program and that we retain that program basically in the Department of the Interior and Department of Agriculture where I think it has received a very good background from the standpoint that those departments have been running the Youth Conservation Corps upon which this is premised.

And I just say I am really in favor of having the entire program centered and located in the Department of Labor. I think you would have to have some focus on manpower programs and that is clearly where it should be. I hope the selection and availability of people will be made by the Department of Labor but that it will then, in effect, be farmed out and programed out to the Department of Agriculture and the Department of the Interior, part A.

Parts B and C clearly are where they ought to be and I wouldn't suggest any change in those.

STATEMENT OF HON. RAY MARSHALL, SECRETARY OF LABOR, ACCOMPANIED BY ERNEST GREEN, ASSISTANT SECRETARY FOR EMPLOYMENT AND TRAINING; WILLIAM HEWITT, ADMINISTRATOR, POLICY, EVALUATION, AND RESEARCH; AND NIK EDES, UNDER SECRETARY OF LABOR FOR LEGISLATION

Secretary MARSHALL. Yes; I would like to do that.

Senator JAVITS. Before you testify would you identify all those with you?

Secretary MARSHALL. To Mr. Green's right is Bill Hewitt, Administrator, Policy, Evaluation, and Research, and on my left is Nik Edes, Deputy Under Secretary of Labor for Legislation.

Senator JAVITS. Whom we know very well. Proceed.

Secretary MARSHALL. Mr. Chairman, I welcome the opportunity to appear here and testify on behalf of S. 1242, the administration's proposal for youth employment and training, which was introduced by you, Mr. Chairman, and supported by many of the Members of the Senate.

I might also say at the outset that we greatly appreciate the cooperation that we have had with the Congress, and especially with you, in getting this bill ready.

Senator JAVITS. If you will allow me to interrupt you, I really think with the new administration, and coming from the Republican side of the aisle, you are entitled to the greatest praise. I experienced this matter with you and Mr. Green and it was handled in the most exemplary, objective fashion and a good bill resulted for which the administration and the opposition in the Congress may take great satisfaction. I hope that we will exercise the same degree of cooperation and diligence in getting it passed.

This isn't just an exercise. It is the lives and fortunes of hundreds of thousands of young and fragile futures. I want to thank you very much.

Secretary MARSHALL. Thank you, Senator Javits.

The first part of my paper summarizes the severity of the problem and I think that Congressman Meeds and Senator Jackson adequately stated that. Youth unemployment is a grave problem that the Nation faces and we are very much concerned about the material and human problems associated with unemployment among all people, but young people have special problems that we think need to be addressed and that this bill does address.

I might say that one of the things we noticed most about young people in our short term in office is how wrong the conclusion is that most young people do not want to work. We have noticed that every time we make a few jobs available, even minimum wage type jobs, the number of young people who line up to take those jobs are many times the number of jobs that we have available. So not only is there a pressing problem that young people want to work and that we are going to lose the output that they could produce for us, but also, they will be damaged by the inability to work in their formative years.

You are familiar with the extremely high unemployment rates existing among young people so I need not reiterate those. This is a very serious problem, not only in urban places but in rural places as well. I might emphasize, Mr. Chairman, that these numbers that we have actually understate the severity of the problem because the official way that we measure unemployment does not count many young people who are not working but who would take jobs if jobs were available. It only counts those who are willing and able to work and actively seeking employment.

In other words, it does not count the many young people who have become discouraged and quit looking for work. It doesn't count the many young people who work part time and would like to be working full time. So, as stark as these numbers are—40, 50, or 60 percent unemployment among young people in many areas of the country—the reality is worse than the numbers indicate.

Turning, Mr. Chairman, to the specific proposals that we have put forth, let me say just a word about those. Part A of the bill authorizes the creation of a National Young Adult Conservation Corps, modeled, as many have emphasized before, after the CCC programs of the 1930's. We think that this will be a popular and important program to provide meaningful work to young people in our national parks, national forests, and State parks and forests.

We also think it is a good example of interagency cooperation between the Departments of Labor, Agriculture, and Interior for Labor to identify the young people who aren't employed and need work, and for the Departments of Agriculture and Interior to put them to work doing useful things in the conservation area.

We have no doubt at all about the need for this program. We have no doubt at all about our ability to put many young people to work doing things that the nation needs to have done that will not be done unless we supply the labor for them to undertake these projects.

Part B of the new title authorizes the youth community conservation and improvement projects. Out of this program youth will be employed in projects of local benefit such as improving neighborhoods and communities and maintaining and restoring natural resources on publicly owned land.

We think that this program is an important complement to part A, which concentrates mainly on conservation work on Federal lands. This will concentrate on local community improvements and on non-Federal land.

Part C authorizes comprehensive youth employment and training programs aimed at unemployed youth in low-income families; however, certain services such as counseling, information services, and job placement would be available to all youth regardless of income level.

The focus of this part is upon providing youth with the broad scope of services needed to develop marketable job skills designed to enhance their job prospects and career opportunities. We also provide in this part for innovative programs to test out various ideas about how to improve the employment opportunities for young people and to facilitate the transition from school to work and to try to reach particularly disadvantaged groups among the youth population.

As you know, Mr. Chairman, we use the term "youth" frequently to cover a category as if it were a homogeneous group, but it is far from that. There is great diversity in the youth population.

A program designed to get at the problems of rural youth, for example, will not necessarily reach the problems of young people in central cities. We think it is important to do some innovative demonstration work to try to develop programs that will make it possible for us to reach the various elements in this population who need help in adjusting to the labor market and gaining work experience and training.

The innovative section of the bill also emphasizes that we can do a much better job than we have in the past with the training effort. We think that it is very important to not only emphasize that young people be equipped to work doing useful things in employment programs but that the training actually be meaningful training that leads to higher job skills and greater productivity and better incomes for young people.

We think it is possible to establish linkages between public programs and the private sector that will make it possible for this kind of upward mobility to be accomplished. However, we do not necessarily know all the ways that we can reach disadvantaged young people and, therefore, think it important to do some demonstration work and try some innovations in order to be able to do that.

I think that we have the people with the experience needed to develop innovative and experimental programs, especially Assistant Secretary Green here who has worked on this over a number of years, and we have tried to do as much as we can in that area.

That is the main thrust of the paper. Mr. Chairman. The other topic you asked us to make some remarks about is the extension of the CETA act. The final part of the testimony deals with that question.

As you know, the legislation the administration has submitted to Congress on March 8, 1977, would extend the authorization of appropriations for all CETA titles through fiscal year 1978. In addition, however, our proposals contain two amendments which we consider necessary for carrying out the Department of Labor portions of the President's economic stimulus package.

The main reason that we recommended the 1-year extension of CETA was that we thought we needed more time to assess the need for both

substantive and technical amendments and we continue to feel that that is necessary. We would like to work with the Congress and interested citizens' groups in developing proposals for change.

The 1-year extension would give us time to be able to do that. As I indicated, we propose two immediate amendments. The first would be to establish preference for younger Vietnam-era veterans in all public service employment under titles II and VI of CETA.

As you know, Mr. Chairman, unemployment rates of Vietnam-era veterans is much higher than it is for other young people in the same age groups who are not Vietnam-era veterans. I think we have a special obligation to these veterans because of the special problems they face.

Not only did they participate in an unpopular war and come back at a time when unemployment is very high, but because of the special problems they have had in getting jobs we run the risk of perpetuating a generation of young veterans who have serious employment problems. We think the Nation has an obligation to these young men and women to help them overcome the disadvantages that they suffer in the labor market. Therefore, I think it is important to establish preference for Vietnam-era veterans.

We have expressed the desire for a national goal of 35 percent veteran participation in the newly created public service jobs under CETA. Although we have not imposed any goals on individual prime sponsors, we are encouraging prime sponsors to develop, to the maximum extent feasible, ways of assuring the participation of veterans in the newly created public service employment positions.

We are confident that through the cooperation of the Veterans' Administration and through the establishment of veterans outreach units in the 100 largest cities staffed by over 2,000 Vietnam-era veterans we will be able to bring young Vietnam-era veterans into these and other jobs.

A second amendment proposed in our bill is the repeal of section 4(e) of CETA which limits to 20 percent the proportion of the total CETA appropriation that may be applied to titles III and IV. As you are aware, Mr. Chairman, the President's recovery proposals include, in the area of employment and training, expansion of public service employment, expansion of the Job Corps, and the new title VIII for youth. In order for appropriations to be available for the temporary stimulus initiatives, we have proposed the repeal of section 4(e).

From a long-range standpoint, over the coming months, together with you, Mr. Chairman and members of the subcommittee, and with other interested Members of Congress and the public, we will assess the need for both substantive and technical amendments to CETA. In the meantime, extension of CETA for another year will enable us to carry out the key portions of the administration's economic stimulus package related to employment and training.

I appreciate the opportunity to appear here today. We will try to answer your questions.

[The prepared statement of Secretary Marshall follows:]

STATEMENT OF RAY MARSHALL
SECRETARY OF LABOR
BEFORE THE
SUBCOMMITTEE ON EMPLOYMENT, POVERTY,
AND MIGRATORY LABOR
UNITED STATES SENATE

April 20, 1977

Mr. Chairman and Members of the Subcommittee:

I welcome the opportunity to appear before you today to urge passage of S. 1242, the Administration's proposal for youth employment and training programs which was introduced by you, Mr. Chairman, and to also urge passage of the Administration's proposal for a one year extension of the Comprehensive Employment and Training Act.

Before discussing the specific proposals the Administration has developed, I would like to make a few general observations.

On January 31, the Administration sent to the Congress its proposed economic stimulus package. This package was designed to deal with one of this Nation's most critical and immediate problems--the unacceptably high level of unemployment which we have experienced. Unemployment is wasteful in both human and economic terms. We can talk in terms of the loss of purchasing power, the slowing of economic growth, and the impact on the Federal budget, and these are important concerns; however, we must never forget that behind those numbers are the needs of people - people who want to work, and people whose future hopes and present sense of self-worth are being seriously damaged.

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The Administration's economic recovery package is designed to accomplish as much as we can, as promptly as we can, with prudence and consistent with finite resources.

During periods of economic downturn, virtually all segments of the workforce are adversely affected. We anticipate that the economic recovery package will improve the general employment picture in the economy enough to allow most workers in the mainstream of the economy to find jobs. However, there are other persons, already at a competitive disadvantage due to age, race, or a disability for whom the general improvement of the economy will not bring an immediate job. It will take them longer to find employment, and when they do find employment it will frequently be in jobs that do not provide any future.

These people are among the last hired and the first fired. Many of them are destined to remain unskilled because of employer unwillingness to provide them with meaningful jobs and training. They are caught in the circle of not being able to get a job because they are inexperienced and unskilled, and unable to get experience or a skill because they cannot get a job. I believe it is the role of the government to help these people enter the mainstream of the American economy.

We hope to deal with the problems of one such group, the veterans, by providing them with a preference under titles II and VI of CETA. I will discuss the legislation submitted to accomplish this later in this statement.

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Another group that we feel must be targeted for special programs is youth. Latest available figures indicate that there are 3.4 million unemployed jobseekers among those aged 16-24. In percentage terms, there is an 18.8 percent unemployment rate among youth aged 16-19, and an 11.4 percent rate among those aged 20-24. For minority youth, however, the rate of unemployment is presently 40.1 percent. Even more significant, these figures are little different from corresponding figures for the same age groups a year ago. Thus, the problem is not only severe in magnitude, but chronic in duration.

Attitudes and workforce attachment are given shape and direction early in a person's working life. A substantial proportion of the young population may therefore be adversely affected by the long-term consequences of early, chronic unemployment. The longer unemployment exists for young people the more acute becomes the loss in human terms and in terms of economic impact.

In many cases, youth lack marketable job skills; in too many cases, their training and education have not fitted them for jobs which are available. It is imperative therefore that we begin targeting more programs especially for this group of workers.

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In my testimony before the Joint Economic Committee on February 10, I stressed the importance the Administration placed on the youth portion of the economic stimulus package submitted by the President on January 31. The President in his March 9 message to Congress presented basic details of the youth program - a doubling of the Job Corps to 44,000 slots by the end of Fiscal Year 1978 and three new initiatives for youth - and once again stressed its critical nature. Today I want to once again stress to you how critical we consider this legislation.

We feel it is important to give special emphasis to the problem of youth unemployment. We are proposing an arsenal of programs and approaches to deal with that problem, recognizing that within the overall youth group there are subgroups based on age, school status, geographic location and other differentials that require different program emphasis and different types of services. The bill includes provisions that would aid youth in developing marketable job skills where none presently exist and include a number of new and innovative aspects such as the awarding of academic credit where appropriate for competencies gained through work experience.

Mr. Chairman, I would like to now turn to the specific programs. We are proposing three new programs under a new title VIII of CETA--a National Young Adult Conservation Corps, a program of Youth Community Conservation and Improvement Projects, and a Comprehensive Youth Employment and

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Training Program. In developing these programs we have relied heavily on our previous experience in this area and upon the many fine bills introduced in Congress. The different programs composing title VIII meet different needs of youth. All, however, are primarily directed to youth aged 16-21. The provisions of the bill allow me as Secretary to prescribe regulations to permit inclusion of youth aged 14, 15, 22 and 23.

Part A of the new title authorizes creation of a National Young Adult Conservation Corps. The Corps is designed to provide young adults with opportunities to perform useful work in conservation projects and in the maintenance and improvement of public parks, forests and recreation areas. The program would be administered by the Department of Labor through agreements with the Agriculture and Interior Departments. Agriculture and Interior would be responsible for the day-to-day operation of the centers. The Department of Labor is proposing to spend a total of \$350 million over the next 18 months for 35,000 positions under this program.

This program is an outgrowth of the highly successful, and continuing, Youth Conservation Corps run as a summer program by the Departments of Agriculture and Interior. The Corps will serve to reduce youth unemployment while expanding the horizons of our young unemployed workers through their participation in innovative programs in the conservation and development of public natural resources and recreational areas.

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Under the Administration's bill, the National Young Adult Conservation Corps would be open to all unemployed young persons, provided they meet the age criteria. However, individuals would be given preference for employment if they live in areas (as defined in title II of CETA) having unemployment rates of 6.5 percent or higher.

There is much resource conservation and restoration work on Federal and State owned lands which needs to be done. Through the enactment of our bill the Department of Labor in cooperation with the Departments of Agriculture and Interior would assure that the young people who are jobless are matched with the jobs that need doing on our Nation's public lands.

Part B of the new title authorizes a program of Youth Community Conservation and Improvement Projects. Under this program, youth would be employed in projects of local benefit, such as improving neighborhoods and communities and maintaining and restoring natural resources on publicly owned land.

The emphasis of this part of the bill is on the "soft" public works type projects which will produce a tangible result that will serve the community and be of lasting benefit. Maximum flexibility will be given each community to design projects that will respond to individual community needs.

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Communities across the Nation have projects which need doing but which remain undone, particularly in times of economic stress. These are valuable projects which would enhance the community and extend the useful life of many facilities and services. Under this part of the bill young people will be able to have the satisfaction of serving their communities while receiving useful work experience and contributing improvements to the community which remain long after the project is finished. In addition, many youth will be able to earn academic credit for competencies developed through the work projects.

This program would be open to all unemployed persons provided they meet the age criteria. However, in funding projects, consideration would be given to the severity of unemployment among youths living in the areas to be served.

Projects would be developed by project applicants (State and local governments and agencies, local educational agencies, community-based organizations and others) and reviewed and approved by eligible applicants (the 446 CETA prime sponsors and certain Indian organizations) as is done under title VI. Approved projects would then be forwarded to the Secretary of Labor for approval.

Over the next 18 months, the Department of Labor proposes to spend a total of \$250 million for 30,000 jobs under this program.

Part C authorizes Comprehensive Youth Employment and Training Programs, aimed at unemployed youth in low-income families; however, certain of the services such as counseling, information services, and job placement would be available to all youth.

The focus of this part is upon providing youth with the broad scope of services needed to develop marketable job skills designed to enhance their job prospects and career opportunities. To achieve this, training and employment would be interrelated and mutually reinforcing. Comprehensive services provided to youth would include but not be limited to counseling, occupational information, skills training, remedial education, work experience and opportunities for job sampling, including vocational exploration in the private sector and other supportive services needed to enable youth to find and retain employment.

These programs would supplement programs and activities for youth now carried out by prime sponsors under title I, and be linked to such programs.

A total of \$900 million is proposed to be spent over the next 18 months for 138,000 slots under this program. Half of the funds would be allocated to eligible applicants (the 446 CETA prime sponsors and certain Indian organizations) to provide meaningful employment and work experience in

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fields such as community betterment, education and health care, and appropriate training to enhance the job prospects of participants. Eligible applicants would be allocated funds based on their relative shares of unemployed persons and persons in families below the low-income level.

The other half of the funds would be available to the Secretary of Labor to encourage innovative and experimental programs. Three-quarters of this money would be available to eligible applicants on the basis of their applications to the Secretary. These applications would be judged by standards of local need, program quality, and the eligible applicant's record. The Secretary would use the rest of the money to develop and test innovative projects.

The participants under title VIII would be protected by labor standards, adequate supervision, and minimum wage provisions. They would in many cases be eligible for academic credit, and they would be working on useful projects that can be implemented immediately upon enactment.

Mr. Chairman, the Nation's young workers represent our future. We must move quickly to meet their critical needs by enacting S. 1242. I hope we can work together to accomplish this important end.

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Mr. Chairman, you have requested that I also discuss today the Administration's proposal for an extension of CETA.

As you are aware, the legislation which the Administration submitted to the Congress on March 8, 1977, would extend the authorization of appropriations for all CETA titles through Fiscal Year 1978. In addition, however, our proposal contains two amendments which we consider necessary for carrying out the Department of Labor portions of the President's economic recovery package.

The reasoning behind our recommending a one-year extension of CETA, with a minimum of amendments, is that we have not as yet had time to assess the need for both substantive and technical amendments. The appropriations authority for CETA expires on September 30, 1977. A one-year extension will provide us with additional time to review the many recommendations to amend CETA that have been made, as well as to consult with the Congress and interested citizens groups and develop proposals.

As I indicated, we have proposed two immediate amendments. First, we would establish a preference for younger Vietnam-era veteran in all public service employment under titles II and VI of CETA. As you know, unemployment rates

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among such Vietnam-era veterans, particularly younger, minority and disabled veterans, have been consistently higher than the unemployment rates for similarly aged male nonveterans. For such Vietnam-era veterans between the ages of 20 and 24, the unemployment rate for March, 1977 was 17.1 percent, compared to 10.4 percent for nonveterans of the same age, with disabled and black veterans being hit even harder. Because their unemployment problems are so severe the President has called for special efforts to provide increased training and employment opportunities for Vietnam-era veterans.

Under the present law, veterans are required to be given special consideration for title II and VI public service jobs. Under our regulations, these jobs must be listed with the employment service and held open for 48 hours before they can be filled by a nonveteran.

However, there is presently no requirement that any veteran so referred be hired. Under our proposal, disabled Vietnam-era veterans, and then other unemployed Vietnam-era veterans under 27 years of age, would be given preference in hiring - that is, they would be afforded the opportunity of first refusal of a public service job.

I wish to emphasize that under the title VI public service employment program, new persons hired for projects and activities will continue to be required to meet the

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long-term unemployed and low-income criteria established by the title VI amendments of last year. Among the pool of applicants meeting these criteria, veterans will then be accorded preference in hiring.

We have expressed the desire for a national goal of 35 percent veteran participation in the newly-created public service jobs under CETA. Although we have not imposed any goals on individual prime sponsors, we are encouraging prime sponsors to develop, to the maximum extent feasible, ways of assuring the participation of veterans in the newly-created public service employment positions.

We are confident that through the cooperation of the Veterans Administration and through the establishment of veterans outreach units in the 100 largest cities, staffed by over 2,000 disabled Vietnam-era veterans, we will be able to bring young Vietnam-era veterans into these and other jobs.

The second amendment proposed in our bill is the repeal of section 4(e) of CETA which limits to 20 percent the proportion of the total CETA appropriation that may be applied to titles III and IV. As you are aware, the President's recovery proposals include, in the area of employment and training, expansion of public service employment, expansion

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of the Job Corps and the new title VIII for youth. In order for appropriations to be available for the temporary stimulus initiatives, we have proposed the repeal of section 4(e).

From a long-range standpoint, over the coming months, together with you, Mr. Chairman and Members of the Subcommittee, and with other interested members of Congress and the public, we will assess the need for both substantive and technical amendments to CETA. In the meantime, extension of CETA for another year will enable us to carry out key portions of the Administration's economic stimulus package related to employment and training.

I appreciate the opportunity to appear today. I am looking forward to working with this Subcommittee and the Congress in responding to the challenges which confront us.

Senator JAVITS. Thank you, Secretary Marshall.

Would you like Mr. Green to speak, or is he here for backup?

Secretary MARSHALL. He will answer questions. I don't want to control him.

Senator JAVITS. Mr. Secretary, the Chair, of course, will turn to our own chairman, Senator Williams.

I will again comment on the extraordinary cooperation which developed in this particular bill between the Members of the Senate and the House and the administration, which resulted in a generally agreed upon bill.

Some of what you said about Vietnam veterans, et cetera, and some comments that we would make and you would make, but, in essence, I gather we are in agreement and therefore, this should move with the greatest celerity. Would you agree with that?

Secretary MARSHALL. Yes, sir, I do agree with that.

Senator JAVITS. Thank you very much. Senator Williams.

Senator WILLIAMS. Thank you, Senator Javits.

You know we are getting ready very shortly to start marking up the mine safety bill which is another example of a degree of cooperation that exists in the various departments that are concerned with that area, where Interior and Labor worked together to fashion adjustments, difficult adjustments in a reorganization plan which we appreciate, and we will be marking it up very shortly so I will be leaving here.

I appreciate this statement on the key element of the economic recovery that we are also earnestly engaged in, youth unemployment. The total amount of authorizing in the program you describe, Secretary Marshall, is \$1.5 billion for youth employment and training for this fiscal year and next, as I add it up.

That is directed at the employment and training of about 200,000 young people. Am I roughly accurate in that?

Secretary MARSHALL. Yes, sir.

Senator WILLIAMS. We know that of the staggering degree of unemployment of young people the numbers are well beyond that. I am just wondering if down the road we were to provide greater funding whether this is another area we could find adjustment and agreement or whether that is a hard figure that you presented us with here.

Secretary MARSHALL. Senator Williams, let me point out that even though your figures are correct on this youth bill, we also have young people participating in our other employment training programs so that this actually will not be the total number served.

As you know, in title I of CETA many young people are served and we are proposing the doubling of the Job Corps. We would be glad to explore with you the total amount for the youth bill. We felt that this was an adequate level to start with. I think there is some flexibility perhaps within the other categories and perhaps even within the total, but we would like to stick pretty closely to the \$1.5 billion for this component of the Federal package. I would be happy to explore that question with you and see where you might propose that we expand.

We have had some suggestions this morning that part A be expanded to 50,000. I don't see any administrative reason we couldn't do that.

Senator WILLIAMS. That is 50,000 for the conservation program?

Secretary MARSHALL. Yes; Senator Jackson suggested that and Congressman Meeds suggested that, and that seems to us to be a reasonable figure.

Let me point out that in many of our programs the main limitation that we face is the administrative mechanism of CETA that we think would be strained if the total recovery package is passed, as we hope it will be.

In this part A we are talking about a little different matter because it is an interagency agreement not relying exclusively on the CETA mechanism. Part A relies on the Departments of Agriculture and Interior and their mechanisms and that, we think, has more flexibility in it because they will not simultaneously be burdened with the necessity to expand the whole public service employment mechanism as most of the other CETA prime sponsors will be. As you know, in the recovery package, apart from the youth program, we are proposing, as soon as we have congressional authorization, to more than double the public service employment component within a relatively short period of time.

We hope by the end of this calendar year to go from about 300,000 public service employment positions we have now to 600,000 by the end of this fiscal year, to hold that and go to 725,000 by the end of this calendar year. That, in terms of the CETA mechanism, is a heavy load, and there are a lot of people who think that we can't do it. We think we can and still have meaningful programs, still have good training, but we know that will tax us.

I think those are the kinds of considerations that we would have to give to our ability to mount a meaningful program, and we would like to explore with you any suggestions that you might have about how that might be done.

Senator WILLIAMS. Thank you. I have just two further questions before I leave. I wonder about the time it would take to get the Conservation Corps working effectively. This is a question of recruitment, transportation, residential situations far from residence and home. How long will that take?

Secretary MARSHALL. We don't think it will take very long. We have been so excited about our whole program that we had everybody all ready to go for some time now, and I might say it caused us a little trouble that we didn't get on the way as fast as we told them we thought we could. I think the plans are in place. We are going through some processes of identifying the precise mechanism needed in order to move. We don't think it will take very long at all to put this program in place as well as the rest of our program, because there is a great deal of excitement in the country particularly about the youth program.

I think the people within the CETA mechanism and the people in the Departments of Agriculture and Interior are excited about it. They have made their plans and nobody knows, of course, exactly how long it would take but I am confident that as soon as we get authorization that we can mount a program in a hurry.

Senator WILLIAMS. That is encouraging too.

One final thing, Mr. Secretary. Under the youth community conservation and improvement projects, this impresses me as a program with great flexibility. You don't describe any definite areas that would

be assigned for employment in this area. I wonder if the situation that has come to me recently could possibly fit within this part of the program, part B.

I have read that in the city of New York, from troubled neighborhoods, young people have been directed away from their nonconstructive activity born of the frustrations of ghetto living, into very constructive efforts to be of service to people.

In particular, the group I read about is in service to senior people, older people in security areas. I have read about this from your city, Jack. I know in the city of Newark there is a young minister who has started an institute of leadership and is taking troubled community youngsters and directing them to constructive activity.

I pointed out to him that I read about this and he is embarked now upon that. A lot of these are the target group of unemployed young people. It would impress me that of those who did want, need, and seek employment, there might be a way to link this kind of effort together with great social need, the need of older people to have a greater degree of security in their lives when they go shopping, or wherever, within their community.

Is this kind of thing the software kind of public project that might be included in this?

Secretary MARSHALL. It might be. Of course, it depends on what kind of project it is and what they do. It is also the kind of thing that we contemplate in part C in terms of service work.

Part B contemplates physical type improvement work, conservation work in urban areas in parks and other places to give it an urban identity which would be similar to the conservation work done in the national parks and national forests.

With part C, we contemplate doing a great deal to provide useful training and work experience for young people in central cities, and we think there will be no shortage of useful service work.

Senator WILLIAMS. That was my point, whether service work could be included in that in part or whether it is all physical improvement.

Secretary MARSHALL. We contemplate both. Part B will be mainly physical improvement, physical-type activity. Part C has much greater latitude for a wide range of services. The kind of thing, for example, that definitely needs to be done, and I talked to Secretary Califano about, is the lead paint removal program in central cities in the housing of low-income people.

As you know, this is a serious health problem for young people who live in houses with lead paint. It is very easy to train young people in a very short period of time. With a week's training, you can train people to identify the problem and to go ahead and start such a removal program. We think that a lot can be done to use young people in part B in those kinds of projects to encourage that those things be done.

Weatherization of homes is another problem that we think the public service employment programs can be designed to do. But in the part B component we are thinking mainly about community improvement and local park and community type activity.

The point of the whole program that we are proposing is that it is a balanced program that will make it possible for us to meet the needs of most categories of young people and to deliver most categories of

services that you could think about, as well as the physical activities outlined in the community improvement program.

Senator WILLIAMS. Thank you very much.

Senator JAVITS. Thank you, Mr. Chairman.

Mr. Chairman, I would suggest the 10-minute rule be applied.

Mr. Secretary, the administration estimates that we do various things which it is attempting, that unemployment will decrease in round figures by 10 percent by the end of this year if this recovery rate continues and we enact some kind of a tax incentive. That is the present plan. Do you think that will have any appreciable effect upon our unemployment situation among youth, or should we go forward with this bill on the theory that we will be about where we are by the end of the year?

Secretary MARSHALL. One of the points made in the [testimony], Mr. Chairman, is that the youth unemployment problem is not responding to the cycle in the same way that overall unemployment is and that it therefore tends to be a structural problem that needs to be addressed directly rather than assuming that you will get response from the general improvement in employment rates.

Even after unemployment gets very low you will continue to have inordinately high levels of unemployment among young people. We think that there will be a need, even if our unemployment targets were exceeded by much more than we expect that they will be, there would still be a special need for a youth program because of the structural nature of that unemployment.

Senator JAVITS. So it is fair to say that this represents a prime element of structural defect in the employment economy of the United States?

Secretary MARSHALL. Yes, sir, I think it is fair to say that.

Senator JAVITS. And when we deal with this we are dealing with a grave structural fault?

Secretary MARSHALL. Yes, sir.

Senator JAVITS. Don't you agree that a very important element of what we are going to build, the more enlightened approach is the career counseling information and analysis, et cetera. How does the Department think that can best be met?

Secretary MARSHALL. We think there are a number of ways the program can be done to facilitate career counseling. One, of course, is to work with the school systems very closely and supply information to counselors. We think it is also possible by giving young people exposure to different work settings to be able to do more than simply telling them about a job. It would be possible to actually expose them to actual job situations. I think that is a much better way for them to get information about it than simply opening a book and having the counselor tell them these are the kinds of things those jobs constitute. To many young people that is not a meaningful way to gain exposure. This approach of exposing the young to different work settings is particularly important for people from poorer families where the role models are limited and where the exposure to a wide range of occupations is very limited.

We already have a pilot project for national occupational information which is working with the States in trying to provide this kind of information.

Senator JAVITS. Former Secretary of Labor Wirtz, testifying yesterday before the House committee on this matter, thought that our provision in this bill on counseling and guidance was "fairly limited." Would you, Mr. Secretary, work with us, Senator Nelson, myself, and the others who are the authors of the bill, to examine into that question so that we are sure we devote enough money to guidance and counseling precisely because of what you say that we are dealing with a structural defect?

Secretary MARSHALL. Yes, sir, we will.

Senator JAVITS. Thank you.

There are two specific amendments I wish to ask you about. You have already testified about a conservation corps and I thank you very much for that. The other one is that Senator Humphrey and I are contemplating the possibility of a 15-percent set-aside of part C respecting in-school programs contrasted with out-of-school programs.

In short, the effort by a work-study proposition at the lower school level; that is, below college level to keep the kid from dropping out. We, of course, submit that to you for study if the Department has not studied it already.

But, it seems to us this is a very critical problem and has great social as well as structural significance. I don't know whether this is a first-hand impression or not, or whatever comment you wish to make, Mr. Secretary.

Secretary MARSHALL. Yes, I would. I agree that it is a very important problem. I think that it would be useful for us to examine it in the context of all the things that are currently going on both in the Department of HEW and the Department of Labor. We have a number of projects underway that are designed to deal with that problem and I think that it might be useful before we propose an amendment to look at all those programs, see what flexibility we already have.

There is some problem, I think, with the set-aside concept which would reduce our flexibility to deal with a lot of problems. I think it would be helpful for us if you would let us show you what we are doing and let you see if you think that meets the needs of the proposed amendment.

Senator JAVITS. Thank you very much. We will submit our amendment to you. We won't necessarily interpose it unless we all agree that it is desirable.

My last question is this: We have a fiscal stimulus appropriations bill before us. It has a billion dollars for youth employment programs. The thought originally was that this would go into title III, so-called national programs. Naturally, that is a large sum of money. We feel it is very, very urgently needed in the youth employment field.

Has the Department thought at all about how that money can best be used and what assurance we should have as to whether it will be used consonant with this bill, or what your thoughts are on it?

Secretary MARSHALL. We have given a lot of thought to how it can be used. Of course, the \$1.5 billion in the youth bill reaching 200,000 young people is not insignificant, but you have to consider it relative to the total problem that young people face. We think the things we are contemplating doing in other parts of CETA are also necessary and that these are complementary. We are trying to be

comprehensive in our approach to youth unemployment, trying to think out a balanced program that will meet the needs of most groups and give us some flexibility in delivery mechanisms. I think both of those are important, while keeping in mind the need to manage the program as effectively as we can and to be sure we accomplish the objectives: that we get meaningful work done and that the training itself is meaningful.

We have thought a lot about that.

Senator JAVITS. I don't want to put words in your mouth, but what we are concerned about is as executive legislators have pretty well agreed on this bill with the changes being suggested which are not, after all, essential. But the billion dollars which will be provided will be used consonant with—I think that is a fair word—the policy and principle of this bill before us.

Secretary MARSHALL. Let Mr. Edes expand on that.

Mr. EDES. Senator Javits, we had already contemplated spending that \$1½ billion in the fiscal stimulus package in the same way that, in fact, is outlined in this legislation. One of the many reasons that we decided to go with the separate title was to get a clearer congressional input through the legislative mechanism as to how we should, in fact, go about spending that money. That is what this legislation represents, and that is why we are asking that you act as expeditiously as possible in putting this together, so that we can move together in the expenditure of that money as this legislation would ultimately command us to do.

Senator JAVITS. Is there anything that inhibits you in what is on the floor? You see, that is very much closer to getting votes and could you—that is why I used the words “consonant with”—use what we provide consonant with the thrust of this bill?

Mr. EDES. That is our intention and that is how we are planning to spend the money.

Mr. GREEN. I would just like to respond. We are ready to move expeditiously and have been in the planning stages on a number of programs. Parts A and C, as Secretary Marshall outlined, we have a near finalization of the interagency agreement on the young adult conservation camps, and part C which is through the CETA system, and we are ready to move with that as a program.

Senator JAVITS. Thank you very much. Thank you all, gentlemen.

Mr. Chairman, I think my time is up.

Senator NELSON. Senator Chafee?

Senator CHAFEE. Thank you, Mr. Chairman.

Mr. Secretary, it seems to me we are all agreed that the youth unemployment situation is really in a crisis stage and the statistics you quote in your statement certainly reinforce that view but the thing that bothers me is what are we training these youngsters for? Are we giving them any training in the proposals that we are considering today? On pages 2 or 3 of your statement you state that many of them are destined to remain unskilled because of employer unwillingness to provide them with meaningful jobs and training.

And on page 3: “Youth lack marketable job skills in too many cases.” I fail to see how having these youngsters work in the Young Adult Conservation Corps or youth community conservation and improvement projects is going to help them. What is the goal in

it, to train them in work habits, in the work ethic, if you would?

As I read the bills, they are not going to receive marketable skill training. Could you discuss that a little bit?

Secretary MARSHALL. Yes. I think that is a very good question. Let me emphasize our total program contains a number of parts that would provide a number of different kinds of training for young people. One, as you mentioned, is work experience. As you know, one of the problems many young people have in getting a job is they have no job record.

If they are able to establish a job record in a public service employment job, even if that program did not have training content, that would be important. But we think it is possible and desirable to have additional training for young people in a variety of ways.

One thing that we are doing is to try to establish linkages between these programs and the apprenticeship system, for example. We think apprenticeship is good training to acquire skills. We have proposed as a part of our stimulus package an expansion of apprenticeship into new areas, into areas where job opportunities are growing.

For example, in the automotive and health areas there will be a shortage of trained people and we believe it is possible to get many youngsters into apprenticeship type training. When we say apprenticeship type, that means that they get on-the-job skill training as part of that work as well as the related instruction which makes it possible for them to be well-rounded craftspersons.

In addition to that, we are working with the private sector. The National Alliance of Businessmen proposes to be much more active than it has been in the past to help us with establishing linkages between our public programs and the private sector to provide on-the-job training to many young people.

There will, of course, be the ongoing training components of the CETA program that young people can participate in. There is another idea that we proposed to test and that is, for the programs for young people which are mainly work, we think it might be useful to establish an educational entitlement program similar to the GI bill of rights which we gave for veterans.

The way that works is, in a predominantly work program, we would let young people acquire credits toward postsecondary education or, in some case, secondary education, so that when they complete the work program they would be eligible to go to college or to complete their high school training and get education that would make it possible for them to participate more effectively in the work force.

Senator CHAFEE. Could you address specifically this Young Adult Conservation Corps and the youth community conservation and improvement projects? What is the goal of that?

Secretary MARSHALL. The goal is two-fold—one goal is to get some meaningful work done that the country desperately needs doing. The Secretary of Agriculture tells me the forests are deteriorating, the national forests are in bad shape and the main reason for it is they don't have enough people to keep them up.

The Secretary of the Interior tells me the same thing about the national parks. One objective is to get that work done. The second objective is to provide meaningful jobs to unemployed young people. In connection with that the young people can acquire some training

in conservation work. We think conservation is an important area and will provide opportunities to people in the future, so being trained in that kind of work might do one of two things: One is it might cause some of these young people to go into higher education or get technical education that will suit them for national park service sort of work or as foresters. It will also provide some of the training that can lead to skills that do not require a college education to work in the Conservation Corps.

Senator CHAFEE. But I think you have got to admit that is just a drop in the bucket compared to the total number of youngsters who will be going into the program. It seems to me that the objective would be to train these youngsters in good work habits so they could then go out in the private sector.

Secretary MARSHALL. You are absolutely right. However, in addition to those work habits they could acquire some skills. That is the important part of the program.

Senator CHAFEE. You know, the Federal Government has spent billions of dollars, I suppose, in the past 15 years in various youth programs, training programs. Is there any single program that has seemed to have had distinctive good results?

Secretary MARSHALL. All programs tend to have mixed results and, therefore, it depends on what standard of proof you have to have.

Senator CHAFEE. I suppose the standard of proof would be they could go on and get a decent job.

Secretary MARSHALL. Yes, I think, for example, the Job Corps has been a very successful program. It started with some problems. It took some of the most disadvantaged young people in our society and gave them the work habits you are talking about. But, it did more. In many cases these youngsters had emotional problems. They tended to have serious physical problems that derived in some part from the lack of health education.

Many of these young people, I think, have gone on into much higher paying jobs or into higher education and into a wide range of occupations. This is an excellent example of the linkages between a public and private program. Some of the Job Corps camps are run by private industry. Those industries can identify people in the Job Corps to be slotted into their company and into the private sector through our cooperation with the National Alliance of Businessmen and other groups.

Some of the programs are run by unions.

Senator CHAFEE. My time is getting short here.

Secretary MARSHALL. With the union programs they guide youngsters into the apprenticeship programs which leads to a higher paying job.

Senator CHAFEE. It seems to me those are the kind of programs that have demonstrated some kind of success and I would think those are the ones we build on and go into further. But, I must say I am somewhat skeptical of programs that provide for youth community improvement projects.

Certainly, the employers I have talked to have not found the youngsters who come through this type of program—and I haven't taken any wide survey and don't want to so indicate that—to have such good work habits that they would like to employ them.

It is all well and good to get the fire hydrants painted in the town and all that but are we getting anywhere?

Secretary MARSHALL. I think we are getting somewhere. Of course, this kind of work needs to be done.

Senator CHAFFEE. I don't think this is a program, as I understand it, that is designed to get work done as much as it is to train youngsters so they can get good jobs, decent jobs, isn't that it? Isn't it a public works program?

Secretary MARSHALL. It is to do all of these things. It is a multiple purpose program. I hope that we will not let the past be a guide entirely to the kind of programs that we are contemplating here. It is true, I think, that too many of the programs in the past were not meaningful programs. They did not give people useful work.

To some extent that was because the programs were experimental. In some cases it was because that requirement of meaningful work was not rigorously imposed on the program. We intend to impose that to the maximum extent that we can to see to it that you don't simply have an income maintenance program, which is what some so-called training programs have been, unfortunately in the past. We intend to see to it that if it is a work program that you do acquire useful work habits.

I think that if we can combine that with our education eligibility credit system or entitlement program that many of these youngsters will, through this program, build up the educational credits that will make it possible for them to go on to additional education and prepare themselves for the world of work as well as to participate more effectively in society.

One of the concerns that I have now with the enrollment in institutions of higher education is that it becomes almost impossible for youngsters from poor families to go to college, even with the programs that we have. I think the GI bill was an extremely effective way for us to get people who otherwise would not have had educational opportunities into the educational system.

I think the point to be stressed by this program is that we are providing a balanced program designed to meet the needs of different kinds of youngsters and to accomplish a number of objectives simultaneously, and I think we can do that.

Senator CHAFFEE. Is my time up? Can I have one more?

Senator NELSON. Go ahead.

Senator CHAFFEE. One last question. In here I think it provides that these youngsters will be paid at least the minimum wage. What do you think of that?

Secretary MARSHALL. I think that they ought to be paid at least the minimum wage. I think they will do minimum wage level work and to pay them less than that would be unnecessary.

Senator CHAFFEE. I am all for everybody getting the minimum wage and more. I am just thinking of the incentive and feeling of a step forward when they complete the program and go into the job market. Probably they won't start at much more than the minimum wage.

Secretary MARSHALL. We hope they will.

Senator CHAFFEE. I hope they will, too.

Secretary MARSHALL. If the programs are meaningful they will, and if they have been able to benefit from the programs I am confident

that they will. The people who leave the Job Corps, for example, as I mentioned—

Senator CHAFFE. I think that is different. There, they go into skills. I am not sure how many skills they are going to learn in the Young Adult Conservation Corps. They will have work habits, hopefully.

Secretary MARSHALL. Of course, many of these Young Adult Conservation Corps people will not start with all the disadvantages that the Job Corps people start with either. They will not be from the same kind of population.

Senator CHAFFE. Thank you.

Thank you, Mr. Chairman.

Senator NELSON. Senator Cranston?

Senator CRANSTON. Thank you very much.

Mr. Secretary, I am happy to see you before the committee. I also want to welcome the presence of Mr. Edes in your new role before the committee.

I want to ask you particularly, Mr. Secretary, about veterans matters, which is of particular interest and responsibility for me. I note that in your prepared statement you skimmed over the problem although you did note the very serious statistics there.

The unemployment rate for young Vietnam-era veterans jumped in March from 15.8 to 17.1 percent. You have got a serious problem there. You have stated, and the President has stated, there is great concern and an attempt to give high priority in the unemployment area to the problems of veterans.

You unveiled a three-part proposal to "help eradicate this blight on the Nation's conscience" when you took your oath of the office at the swearing in ceremonies. I would like to review the progress of the Department in this general regard.

The first project, HIRE, which as you know is Help through Industry Retraining and Employment program, a program designed to enlist the Nation's widest populations to make private sector job opportunities and training opportunities available to the Vietnam-era veterans.

In your statement you indicated the delivery systems are in place and funds are available. You stated that with a minimum of delay coupled with a maximum of short-term effort you can move swiftly to help many jobless veterans gain work. It is now 3 months later and the effort is still not completely off the planning board. Could you comment on the exact status of the effort? What are the reasons for the delay, if you can explain that, and what the Department intends to do to kick off the program?

Secretary MARSHALL. Let me say that we are and intend to continue to give this area high priority. One part of the delay was in getting the mechanism together, which we have done, working with the private employers who are working with us.

We have selected a steering committee. That steering committee will be announced by the President and we will plan a conference in the White House to deal with this problem. But, one of the main problems we have is appropriations. We plan to go forward with that program, but it is contingent upon the passage of the stimulus package. It is a part of the administration's economic stimulus package and

we won't be able to get underway with it until we have the appropriation for it.

Senator CRANSTON. When do you plan that White House Conference with business?

Secretary MARSHALL. We don't know the exact date but it is well along the way in planning in terms of getting it together. It has to fit in with the President's calendar. I have talked with him about it. He is enthusiastic about it and has given instructions to his staff and I expect that we will have an announcement of that in the not-too-distant future.

Senator CRANSTON. How soon after funds are appropriated will you be able to get going?

Secretary MARSHALL. Immediately, because in all of these cases we—actually, our planning schedule was to try to do it by April 1 so that we were ready to hit the ground running with the program. The fact that we didn't get the appropriations created some small trouble for us because we had the staff ready to go and the CETA prime sponsors were all ready to go. I had been out in the field actually talking with some veterans who were ready to participate in the program and to mount that program as fast as they could.

As you know, when you build up that kind of expectation and then it is not fulfilled it always causes you some trouble, but I don't think that that is going to be serious, and that we will be able to get underway almost simultaneously with the appropriation.

Let me see if Mr. Green wants to enlarge on that since he has been working very hard on that program.

Mr. GREEN. Senator, regarding the HIRE program, we have forwarded the names of the steering committee to the White House and we expect that meeting to occur relatively soon, hopefully within the next 3 weeks. We have on the disabled veterans outreach program put out the money that was not in the stimulus package.

The States have the allocations. All of them have signed the agreements and we are moving now and hiring all 2,000 of those outreach counselors. The public service employment, of course, depends upon the appropriations.

Senator CRANSTON. I want to stick with this one particular matter for one more moment. Mr. Secretary, in your January 27 statement at your swearing-in ceremonies you said:

The delivery systems are in place, the employer, veterans, and labor organizations are in beam, the funds are available through the Comprehensive Employment and Training Act. With a minimum of delay, coupled with a maximum of short-term effort we can move swiftly to help many jobless veterans gain work or employment.

What happened in regard to that?

Secretary MARSHALL. As you know, veterans are being served. What I was referring to there, of course, was not the stimulus package because obviously that wasn't in place on January 27. But, we do have ongoing programs designed to serve veterans and we have given heavy priority to ongoing programs that veterans participate in and those are the programs that I had reference to there.

Senator CRANSTON. It appears to be in the context of talking about HIRE because it comes right after your remarks about HIRE. The

preceding paragraph says: "HIRE will focus on the disabled Vietnam-era veteran" and then goes into the work of HIRE. It does mention OJT and GI bill programs generally, I hope we can at least move very rapidly in that area.

Secretary MARSHALL. As soon as we get the appropriations. Obviously, that could not be referring to HIRE if I said the program is in place because that depends upon the appropriation. That is, our planning might have been in place by that date but certainly the funds were not there by that date.

Senator CRANSTON. I would like to request a report, let's say, 2 weeks after the appropriation is signed, both to this committee and the Veterans Committee, which I chair, on what is proceeding at that point.

Secretary MARSHALL. All right.

Senator CRANSTON. In regard to the disabled veterans outreach program, this establishes outreach units staffed by disabled Vietnam-era veterans within employment service offices. These temporary para-professionals are to concentrate on identifying disabled veterans in need of services, bringing them into the mainstream, as best they can, of the labor market through jobs and job training and related services to which they are entitled.

I understand that program is now underway, that funds have been authorized in every State for the effort. I would like to ask how many of the 2,000 projected disabled veterans job officers are on board now in the field?

Secretary MARSHALL. There are about 500 of those, I am informed by Mr. Green.

Senator CRANSTON. Do you know when you will get the 2,000 actually in place?

Secretary MARSHALL. Mr. Green tells me that within the next few weeks we will have the rest of the 2,000.

Senator CRANSTON. How much money will be committed to this program?

Secretary MARSHALL. I will let Mr. Hewitt answer.

Mr. HEWITT. He have roughly \$11.5 million this fiscal year and expect some 20-odd next fiscal year for the disabled vets outreach program.

Senator CRANSTON. In regard to where the 500 are, could you give us a breakdown in writing on where they are and also where you propose to place the 2,000?

Secretary MARSHALL. Yes, sir, we can do that.

[Information supplied for the record follows:]

STATUS REPORT ON
THE DISABLED VETERANS OUTREACH PROGRAM

1. Staffing Status

Funding has been approved for hiring 1,911 disabled veterans in the Disabled Veterans Outreach Program at an average position cost of \$11,716 per year. Positions were allocated based upon the proportion of compensable disabled veterans within each State to the national total. An additional 89 positions will be funded by May 13, 1977. A majority of these positions will be distributed among the five States with the largest number of unemployed Vietnam-era veterans.

The program will be phased in over a three month period from April 1, 1977, to June 30, 1977. Approximately one-third of the positions will be filled each month during April, May and June. All positions should be filled by June 30. As of April 26, 1977, 489 positions have been filled. A detailed report of planned positions, funding allocations for FY 1977, and positions filled by State and designated city is included in an attachment.

2. Performance Indicators to Date

Over the 18 month life of the program, DVOP staff shall place over 40,000 disabled veterans. DVOP staff already hired are currently in training and will begin direct service to veterans near the end of May. Thus, no data on outreach contacts or placements are available. Data on local office performance by DVOP staff will be derived indirectly from the Employment Service Automated Reporting System (ESARS) by comparison of current month and year performance in the categories of new applicants and renewals, referrals to training, job development contacts and placement to performance recorded in the same month of several previous years. In addition, field staff of the Veterans Employment Service will periodically monitor local offices with DVOP staff to assess the level of service provided to disabled veterans by the local office.

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<u>REGION/STATE/DESIGNATED CITY</u>	<u>PLANNED POSITIONS</u>	<u>HIRED AS OF APRIL 26, 1977</u>
REGION I	150	41
Massachusetts	86	29
Springfield	4	4
Boston	12	4
Worcester	4	0
Other	66	21
Vermont	4	4
Connecticut	27	0
Hartford	4	0
Bridgeport	4	0
Other	19	0
Maine	11	0
New Hampshire	10	8
Rhode Island	12	0
Providence	6	0
Other	6	0
REGION II	258	0
New Jersey	71	0
Newark	7	0
Jersey City	5	0
Patterson	5	0
Other	54	0
New York	170	0
New York City	85	0
Buffalo	15	0
Rochester	10	0
Yonkers	10	0
Syracuse	10	0
Other	40	0
Puerto Rico	17	0
San Juan	3	0
REGION III	220	99
Delaware	5	0
D.C.	8	0
Maryland	33	0
Baltimore	11	0

<u>REGION/STATE/DESIGNATED CITY</u>	<u>PLANNED POSITIONS</u>	<u>HIRED AS OF APRIL 26, 1977</u>
REGION III (Continued)		
Pennsylvania	115	99
Philadelphia	37	33
Pittsburgh	20	20
Other	58	40
Virginia	44	0
Richmond	5	0
Arlington	4	0
Virginia Beach	2	0
Newport News	4	0
Norfolk	4	0
Other	25	0
West Virginia	18	0
REGION IV	312	72
Alabama	33	6
Birmingham	5	0
Huntsville	2	0
Mobile	5	0
Other	21	6
Florida	95	1
Jacksonville	5	0
Tampa	6	0
St. Petersburg	3	0
Ft. Lauderdale	4	0
Miami	13	0
Other	64	1
Georgia	41	0
Atlanta	12	0
Columbus	6	0
Other	23	0
Kentucky	29	25
Lexington	2	2
Louisville	4	4
Other	21	19
Mississippi	20	20
Jackson	2	2
Other	18	18
North Carolina	42	0
Charlotte	5	0
Greensboro	3	0
Raleigh	4	0
Other	30	0

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<u>REGION/STATE/DESIGNATED CITY</u>	<u>PLANNED POSITIONS</u>	<u>HIRED AS OF APRIL 26, 1977</u>
REGION IV (Continued)		
South Carolina	20	20
REGION V		
Illinois	66	0
Chicago	47	0
Rockford	7	0
Other	12	0
Indiana	37	0
Evansville	8	0
Ft. Wayne	4	0
Gary	4	0
Indianapolis	15	0
Other	6	0
Michigan	75	0
Detroit	29	0
Grand Rapids	10	0
Flint	8	0
Warren	3	0
Other	25	0
Minnesota	37	0
Minneapolis	15	0
St. Paul	10	0
Other	12	0
Ohio	95	0
Akron	8	0
Cincinnati	10	0
Cleveland	16	0
Columbus	8	0
Dayton	10	0
Toledo	9	0
Other	34	0
Wisconsin	36	0
Milwaukee	18	0
Madison	6	0
Other	12	0
REGION VI	209	14
Arkansas	21	0
Louisiana	29	0
New Orleans	8	0
Baton Rouge	3	0
Shreveport	4	0
Other	14	0

<u>REGION/STATE/DESIGNATED CITY</u>	<u>PLANNED POSITIONS</u>	<u>HIRED AS OF APRIL 26, 1977</u>
REGION VI (Continued)		
New Mexico	14	14
Albuquerque	6	6
Other	8	8
Oklahoma	30	0
Texas	115	0
Austin	6	0
San Antonio	24	0
Corpus Christi	4	0
Houston	14	0
Dallas	10	0
El Paso	8	0
Lubbock	3	0
Ft. Worth	8	0
Other	38	0
REGION VII	87	61
Iowa	20	0
Des Moines	3	0
Other	17	0
Kansas	18	18
Kansas City, Kansas	7	7
Wichita	4	4
Other	7	7
Missouri	37	37
St. Louis	15	15
Kansas City, Missouri	7	7
Other	15	15
Nebraska	12	6
Omaha	5	3
Lincoln	2	2
Other	5	1
REGION VIII	54	5
Montana	7	0
North Dakota	5	0
South Dakota	6	0
Utah	9	5
Salt Lake City	5	1
Other	4	4

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<u>REGION/STATE/DESIGNATED CITY</u>	<u>PLANNED POSITIONS</u>	<u>HIRED AS OF APRIL 30, 1977</u>
REGION VIII (Continued)		
Wyoming	3	0
Colorado	24	0
Denver	10	0
Colorado Springs	3	0
Other	11	0
REGION IX	209	178
California	172	172
Fresno	5	5
San Jose	9	9
San Francisco	9	9
Oakland	6	6
Anaheim	5	5
Santa Ana	2	2
Riverside	2	2
San Diego	8	8
Sacramento	4	4
Los Angeles	34	34
Long Beach	4	4
Other	84	84
Arizona	24	0
Phoenix	14	0
Tucson	6	0
Other	4	0
Hawaii	6	0
Honolulu	2	0
Nevada	7	6
REGION X	66	19
Alaska	2	0
Idaho	8	7
Oregon	20	12
Portland	13	0
Other	7	0
Washington	36	0
Spokane	3	0
Tacoma	3	0
Seattle	7	0
Other	23	0

	Minimum Positions Allocated	Cost per Position/ Year	Total FY-77
Region I	190	11,590	894,613
Connecticut	37	18,103	139,973
Delaware	11	12,837	66,180
Massachusetts	84	11,684	697,875
New Hampshire	10	11,026	56,317
Rhode Island	12	11,734	70,292
Vermont	4	12,037	24,076
Region II	758	11,963	1,540,927
New Jersey	71	12,005	426,177
New York	170	12,837	1,023,145
Puerto Rico	17	10,777	91,605
Samoa III	220	11,497	1,326,073
Telaware	5	12,036	30,093
D.C.	8	12,037	48,148
Maryland	33	11,758	166,018
Pennsylvania	112	12,039	673,992
Virginia	66	10,437	221,896
West Virginia	18	11,796	108,166
Region IV	312	11,695	1,826,603
Alabama	33	11,098	183,117
Florida	95	11,875	564,065
Georgia	61	12,551	297,290
Kentucky	29	11,009	159,634
Mississippi	20	12,393	123,936
North Carolina	42	11,984	251,672
South Carolina	20	10,911	109,112
Tennessee	37	10,974	175,571
Region V	366	11,984	2,073,330
Illinois	66	12,037	397,220
Indiana	37	12,037	222,685
Michigan	75	12,037	451,388
Minnesota	37	12,037	222,685
Ohio	95	11,846	567,685
Wisconsin	36	12,037	216,666

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FY-77 DWP COSTS-2

	Minimum Positions Allocated	Cost per Position/ Year	Total FY-77
Region VI	209	11,153	2,343,531
Arkansas	21	11,256	238,376
Louisiana	29	11,166	323,814
New Mexico	14	11,988	167,832
Oklahoma	30	11,204	336,120
Texas	115	12,036	1,384,260
Region VII	87	11,803	1,027,450
Iowa	20	12,037	240,740
Kansas	18	11,164	200,952
Missouri	37	12,037	445,379
Nebraska	12	11,653	139,836
Region VIII	54	11,286	610,644
Colorado	24	11,240	270,560
Montana	7	12,037	84,259
North Dakota	5	12,037	60,185
South Dakota	6	12,037	72,222
Utah	9	12,037	108,333
Wyoming	3	17,037	51,111
Region IX	208	11,268	2,343,744
Arizona	24	11,642	279,808
California	172	11,798	2,029,936
Hawaii	6	12,012	72,072
Nevada	7	11,356	79,492
Region X	66	12,037	794,242
Alaska	2	12,037	24,074
Idaho	8	12,037	96,296
Oregon	20	12,037	240,740
Washington	36	12,037	433,332
U.S. TOTAL	1,911	11,716	22,315,337

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Senator CRANSTON. Can you give the committee an indication of how many new jobs and job training opportunities have so far been developed under this initiative other than those provided directly?

Mr. GREEN. With the appropriations still pending it is not possible to do that. But, again, we will furnish it after the appropriation is passed.

Senator CRANSTON. Fine. If you would give us periodic reports.

Third, and most importantly for purposes of this hearing is the administration's proposal for a national enrollment goal for young Vietnam-era and disabled veterans for public service jobs under CETA. The President proposed and submitted legislation to require that a preference be given to unemployed disabled Vietnam-era veterans and unemployed veterans who are under 27 years of age for public service jobs.

The House rejected this proposal in H.R. 2992. This is, I think, a very important issue. You have indicated your intention to establish a national goal of 35 percent for veteran PSE hires. What is the proportion now under title II and also under title VI?

Secretary MARSHALL. Roughly 25 percent combined.

Senator CRANSTON. Why is it down to that level?

Mr. HEWITT. That is substantially what it has been in 1976.

Senator CRANSTON. It is pretty low. Do you think you can get that up higher?

Mr. GREEN. We plan, Senator Cranston, to try to push the figures up and to use all the efforts we can to move it up.

Senator CRANSTON. Do you feel there is any need for legislative authority to establish a national goal?

Mr. GREEN. Yes, we do think so and we testified to that.

Senator CRANSTON. Could you give us some estimate of the number of special veterans which CETA prime sponsors will hire for jobs provided under title II and VI without some kind of specific hiring goals?

Secretary MARSHALL. Probably we will stay close to 25 percent.

Mr. HEWITT. That is all veterans. Only about 12½ percent of those are Vietnam-era veterans.

Secretary MARSHALL. The 25 figure was all veterans. Your question was Vietnam-era veterans.

Senator CRANSTON. So, unless we have legislation we won't be doing much better than 12½ percent?

Secretary MARSHALL. We will do better without legislation because we have asked the prime sponsors to give preference to it. However I think we would do better with the legislation but I think that we will do better in any event. Because in talking with our CETA prime sponsors about this problem, I find them very receptive to the problems of Vietnam-era veterans and willing to give preference, so I don't think that we will have any problem getting the figures up but I think it would be better if we had the provision in legislation.

Senator CRANSTON. We have been working on some alternative language to accomplish the President's general goal of giving priority attention to the great needs of unemployed Vietnam-era and service-connected disabled veterans by providing greater emphasis on the participation by young Vietnam-era veterans and service connected disabled veterans in all CETA programs but not providing the statu-

tory preference and administrative concept, which seems to create a lot of difficulty.

Our proposed language would direct the Secretary to establish a national goal for the increased participation by these veterans in both job and job training opportunities in CETA programs. To implement such a national goal the Secretary would be directed to take all appropriate steps, including the following. I want to list these for you.

1. Providing for the development of local goals by the individual prime sponsors themselves.
2. Maximum implementation of the department's outreach and public information programs.
3. Carrying out the veterans employment responsibilities of the Secretary under title XXXVIII of the United States Code.
4. Full utilization of the significant segments and veterans "special consideration" of CETA.
5. Temporary assignment of representatives of veterans groups or organizations to prime sponsors planning councils, State manpower service councils and the National Manpower Commission.

It seems to those of us working on this that this kind of approach would avoid the preference concept that the House rejected when they were considering H.R. 2992. This alternative language would also provide ample latitude and flexibility without hamstringing prime sponsors or others involved in the provision of job or job training opportunities.

At the same time, it would give you, as Secretary, a clear mandate to serve the needs of the especially hard hit groups of unemployed veterans.

Could you give me your reaction to that kind of a legislative alternative?

Secretary MARSHALL. It sounds good to me as you read it there. I think that would accomplish your goal.

Senator CRANSTON. I will make that available to you and invite specific comments. I would appreciate it if you would get them back to us by Friday, April 22.

That is all I have.

Senator NELSON. President Carter has requested the Congress to enact both of these pieces of legislation. Secretary of Labor Marshall and his associates in the administration have consulted and cooperated with members and staff of this committee in developing the administration's proposed legislation. Over the next few weeks, we will continue to work closely with the Secretary as we consider the legislation, which we expect to report out of the full Human Resources Committee by May 15.

There is no natural resource more important to the future of our country than our own young people. For the health and well-being of our country, we cannot afford to have millions of young persons—black and white, rural and urban, poor and not-so-poor—begin their adult lives with disillusionment if our Nation fails to provide them the jobs and the experience and training they need to prepare themselves for assuming their roles in our society. I believe the recognition of the danger of such despair among our young people is the reason we find such a broad coalition—Republicans and Democrats, conservatives and

liberals—committed to giving a high priority to the enactment of comprehensive youth employment and training legislation in this session of Congress.

Thank you, Mr. Secretary. I understand you have an appointment at the White House and must leave so we won't hold you any longer.

Secretary MARSHALL. Thank you very much.

Senator NELSON. Our next witness is Mr. Sam Brown, Director of ACTION.

He is not here.

Our next witness is Rupert Cutler, Assistant Secretary of Agriculture for Conservation, Research, and Education.

Mr. Cutler, the committee is pleased to have you take time to come and appear this morning. Your statement will be printed in full in the record and you may present your remarks however you desire.

STATEMENT OF M. RUPERT CUTLER, ASSISTANT SECRETARY FOR CONSERVATION, RESEARCH, AND EDUCATION, U.S. DEPARTMENT OF AGRICULTURE, ACCOMPANIED BY LEON ANDERSON, DIRECTOR OF HUMAN RESOURCE PROGRAMS, FOREST SERVICE

Mr. CUTLER. Thank you, Mr. Chairman.

I appreciate this opportunity to testify for the Department of Agriculture regarding the administration's proposal for a National Young Adult Conservation Corps.

Senator NELSON. If you would identify for the reporter your associate so that we will have the record complete.

Mr. CUTLER. I am accompanied this morning by Mr. Leon Anderson, Director of human resource programs for the Forest Service at the Department of Agriculture.

I will highlight my statement.

S. 1242 embodies the administration proposal to add a new title VIII to the CETA Act. We recommend that it be promptly enacted.

Part A of the new CETA title would establish a National Young Adult Conservation Corps, administered by the Secretaries of Agriculture and the Interior under agreements with the Secretary of Labor.

Up to 12 months of employment could be provided for persons between the ages of 16 and 22 on Federal and non-Federal public lands and waters. The Secretary of Labor could prescribe regulations under which those between the ages of 14 and 16 and those between the ages of 22 and 24 could also participate. The Secretaries of Agriculture and the Interior could make grants or enter into agreements with States, public agencies, and nonprofit organizations for the operation of Corps projects. Such sums as might be needed would be authorized to be appropriated for fiscal years 1977 and 1978.

The Forest Service and cooperating State forestry agencies have inventoried a substantial volume of conservation work much of which could be accomplished by young adults and which meets the criteria stated in sections 804(a) and 804(b) of the new CETA title proposed by the administration. Hiring can begin as early as this summer if the administration's bill and the pending appropriations request are quickly enacted.

The Forest Service is ready to go but much of the preparatory work, including facility maintenance, staff recruitment, and supply purchases must await completion of congressional action on funds the administration has requested.

S. 1242 is similar in many ways to several related proposals for a Young Adult Conservation Corps. We believe S. 1242 contains several features which make it superior.

First, S. 1242 presents a coordinated, comprehensive program that deals with all aspects of youth employment and training within the framework established by CETA. Although our involvement will be limited to the conservation work portion, namely the Young Adult Conservation Corps, we recognize that the total Federal response to youth unemployment should not be approached in a piecemeal fashion.

Second, the administration proposal is designed to encourage at least a moderate amount of tenure among corps members which will increase the program's effectiveness while reducing administrative costs. Within the 12-month limit for individual participation, the administration proposal would permit individuals to enroll for up to one 12-month period, two 6-month periods, or three 4-month periods. In contrast, some related proposals would permit an unlimited number of enrollments within the 12-month individual limit.

A related feature, unique to S. 1242, would permit an individual who attained the maximum enrollment age to complete his 12-month enrollment period if his enrollment is continuous after attaining the maximum age.

Third, S. 1242 would not allow enrollments solely for the purposes of membership for the normal period between school terms. This provision is designed to prevent short-term summer enrollments that would reduce the number of positions available to persons who had completed school or left school for another reason.

The National Young Adult Conservation Corps is neither to compete with nor be a substitute for the Youth Conservation Corps which is primarily a summer program for those between the ages of 15 and 19.

Fourth, S. 1242 would permit the Secretaries of Agriculture, the Interior, and Labor to coordinate the National Young Adult Conservation Corps with all related programs, including the Youth Conservation Corps, and the Job Corps. In contrast, some related proposals would prohibit the Young Adult Conservation Corps members from sharing, at the same time, common projects or facilities with Youth Conservation Corps members.

We recognize that certain Corps member characteristics and working conditions will require separate projects and facilities. We anticipate, however, that there may also be cases where members of the National Young Adult Conservation Corps, the Youth Conservation Corps, and the Job Corps can effectively share work projects, dining facilities, recreational activities, and vehicles. The Secretaries of Agriculture, the Interior, and Labor should have the discretion to coordinate or to separate the three corps programs as local conditions appear to warrant.

In summary, we believe S. 1242 represents the best approach to the problem of youth unemployment, and we in the Department of Agri-

culture look forward to working with this committee to establish a National Young Adult Conservation Corps that will be enthusiastically supported by the majority of the Congress, the administration, and most Americans.

That is the end of my prepared statement. Mr. Anderson and I will be pleased to respond to your questions.

Senator NELSON. As I understand it from the Secretary's presentation, these activities are contemplated with the State acting as a sponsor of programs on State forest lands or parks. Is that correct?

Mr. CUTLER. That is possible, yes.

Senator NELSON. Well, it's authorized in the statute, isn't it?

Mr. CUTLER. Yes, under section 806. Is that the one-third business?

Senator NELSON. Section 806?

Mr. CUTLER. Yes; we have the authority to work with State foresters on grants, and other public organizations.

Senator NELSON. Now, what about those circumstances in which there is not a grant to the State, but the national forest is in close proximity to a State park, State forest, or county forest, and there's timberstand improvement, or what have you, to be done on those lands or work within the parks?

Would it be contemplated that, if it were convenient, work would be performed on those lands even though members of the Corps were living on the Federal land?

Mr. CUTLER. That is correct. We can coordinate those problems.

Senator NELSON. Do you have any questions?

Senator CHAFEE. Thank you, Mr. Chairman.

As I understand this program, to some degree it's going to be like the CCC's of the 1930's, complete with facilities where the Corps members would live, and they'd work in the local parks—I would assume that you would permit girls to be in these programs, too; is that correct?

Mr. CUTLER. Correct.

Senator CHAFEE. Now, when you embark on a program like this—I know you've had some experience in the summer program—when you're talking 35,000 jobs, and I think the 35,000 applies solely to the youth, not to the instructors—is that correct?

Mr. CUTLER. That's right, Senator.

Senator CHAFEE. You're biting off quite a chunk here; just to build the facilities to house these members is a major project, and when you suggest that you're ready to go this summer, and then of course you do indicate that facilities have to be built, how far along are you?

Have you chosen where you're going to build the facilities? Has that been determined?

Mr. CUTLER. Senator, as you are aware, the Job Corps program has been reduced from its former peak, and some of those former Job Corps Centers are available for use. The experienced staff and leadership from the Job Corps program can move into the Young Adult Conservation Corps program.

Some of these facilities that are not used at the optimum level can be filled up, so to speak, and plans have been underway now for several months, awaiting a few more dollars, to spruce up those facilities.

We are ready to go, up to the 20,000 enrollee level.

Senator CHAFFEE. It seems to me the whole success of this program is going to be determined by the caliber of the people you have in charge on the local level; that is, each of the camps, as it were. It is not designed for the people at the top, but the man or woman who is going to make it go, is the person right in charge at the local level.

I remember in the CCC's, they were entirely run by the military, as I recall, actually by the U.S. Army. I suppose you don't have any contemplation of the use of the military people in this project?

Mr. CUTLER. No; we do not.

Senator CHAFFEE. And I doubt if the military would be enthusiastic about doing it.

I presume most of it would be located in the West, where the national forests are; is that correct?

Mr. CUTLER. There are many national forests in the East, and many potential centers in the east. Mr. Anderson, who has been a Job Corps Center Director could respond further on that point.

Senator CHAFFEE. I'd be interested in what you were planning in the Northeast, for example, not to be parochial.

Mr. ANDERSON. Originally I'm from the Northeast.

We do have plans for programs in the northeastern United States. We are well aware of the fact that that's where large members of unemployed young people are located.

In cooperation with the State foresters and public land ownership in the Northeast and the national forest systems in the Northeast, we could pool kids in a residential program from Philadelphia, or from New York.

The Interior Department has many more holdings than we have in the Northeast, and from the analysis that we have made, we will make a substantial dent in the unemployment rolls in the Northeast, co-operating with the State grant systems, the Interior Department, and the Forest Service on national forest lands that are close to the metropolitan areas.

Senator CHAFFEE. Are you going to have a screening process for those you accept into these camps, that is, on the Youth Corps level? I just see all kinds of potential problems in trying to run one of these outfits. It was far simpler in 1934 than I think it is in 1977.

Mr. ANDERSON. We started out with Job Corps and I do remember the Civilian Conservation Corps.

I do know about the Job Corps and what happened with the Job Corps situation. We mounted the Job Corps program, and as many of you gentlemen remember, we had some problems in some communities. But over the years we have developed an expertise in managing these kinds of programs. I think we are turning over all of the stones and looking around all of the corners, and avoiding some of the problems we have had in the past.

We have been operating YCC programs for a number of years. It's a coeducational program. It gets a diagonal slice of the population of the United States, and is not geared at any particular unemployment group or any particular poverty-level group, or what have you.

Our experience in that program, though coeducational, has been extremely successful. We have made one of our Job Corps Centers coed in Oregon. We have not had any significant problems with that center.

The Department of Labor will furnish us a list, as the Secretary so eloquently stated before, and it will be up to the Departments of Agriculture and Interior to make selections from these lists.

I hope that that answers your question.

Senator CHAFEE. Yes; let me get back to another question that I asked the Secretary, and that deals again with the minimum wage.

It seems to me that a youth going into this type of program, where he's going to have his room, board, clothes—everything provided, and the minimum wage, is going to suffer a setback when he goes out into the big wide world of the job market. He's going to be less well off than he is in the Youth Corps Center.

Could you expound on that? He's going to have more cash, net, while he's working in the Youth Corps than he is when he goes back and gets a job and has to pay his room and board, wherever it might be.

I'm all, as I say, for everybody getting the minimum wage and more, but I just wonder what the effect is going to be when a fellow finds that he's now got a job and he's coming up with less than he had when he was off in Oregon in a camp.

Mr. CUTLER. I think Secretary Marshall alluded to the appropriate response earlier when he indicated that the program is, among other things, an attempt to introduce young people who haven't had a chance to learn a skill, or be employed, to break through, give them experience; it's limited to a 12-month opportunity, and at the conclusion of that point, the hope, I assume, must be that they have both learned some kind of useful skill, and begun to feel at home in the work environment. They've been given that opportunity to "get it together," and they'll continue along those lines as they leave the program.

Can you supplement that?

Mr. ANDERSON. Yes, I can.

I think through coordination with private industry and business, a person receives work experience and learns something about the workaday world. Usually they had not had that before. The experience will be an asset to them.

They will, however, receive some skills in the area of conservation work. I can't say just how many will be employed in this particular area, but there will be some skills that will be a byproduct of their being in the programs.

Senator CHAFEE. There will be no deductions, I assume, for their room, board, uniforms, et cetera; is that right?

Mr. CUTLER. This is a question that we have yet to resolve with the Department of Labor.

Senator CHAFEE. How about overtime and all that? Are they working a 40-hour week?

Mr. ANDERSON. We anticipate a 40-hour workweek.

Senator CHAFEE. Thank you very much; I appreciate it. Thank you, Mr. Chairman.

Well, let me say just one more thing.

I think—it seems to me that—so, what happens? That here they are: they're fighting forest fires, and working up in the woods, whatever it might be—a forest fire comes along, then what do they do? Go on time and a half while they fight the forest fire?

Mr. ANDERSON. That is correct. We would have to teach them on the firefighting situations. That's a different kind of a situation altogether.

It's considered an emergency situation, and so would be in a different category.

Senator CHAFEE. Thank you; and thank you, Mr. Chairman.

Senator CRANSTON. I would like to ask you one question.

You're given discretionary authority to make grants, enter into agreements with the Governor or any State agency. As you know, in California, we have a developing youth employment program, or Youth Corps program analogous to the CCC's. I gather in Senator Nelson's Wisconsin, and in Michigan also, there are such plans developing.

What are your plans in regard to avoiding unnecessary duplication of efforts already underway by perhaps joining in the effort with such State operations?

Mr. ANDERSON. Our regional offices, especially in the State of California, which I visited last year, is coordinating with the Governor's office and with the people mounting that Conservation Corps program. We saw no conflict, but we saw an opportunity for them to really join forces and work in the resource areas, and take care of emergency situations that we do expect to have in the State of California this coming year.

Fire is a good example. We anticipate we may have a heavy fire season there.

But they have been working together to coordinate their efforts.

Senator CRANSTON. Well, would there be coordination or just perhaps working with the State to expand an on-going program that is in good shape at the present and working well? You wouldn't necessarily start something competing, or a different program where there is such a program going?

Mr. ANDERSON. It would not be in competition. I guess the Department of Natural Resources in the State of California is the principal in that program. The State foresters in the State of California would be the guys that we would make our grants with, and they would be doing similar kinds of things in the State forests that we are doing—erosion control, timber-stand improvement, insect and disease control, and fish and wildlife habitat improvement, and that kind of thing.

Senator CRANSTON. Well, would you actually make a grant to the State to expand its present program, then?

Mr. ANDERSON. We have not reached a point with the Department of Labor at this point in time where we have discussed that particular point.

Senator CRANSTON. Well, wouldn't that be a logical thing to do?

Mr. ANDERSON. It could be. However, the State forester is the guy that we have been concentrating on within the State of California.

Senator CRANSTON. The Department of Natural Resources runs the program in the State of California. Are you not working directly with them?

Mr. ANDERSON. We work directly with the Department of Natural Resources in the YCC program, and this program and a program like title 10, we work directly with the State foresters.

Senator CRANSTON. Well, it seems to me that if California set up a specific program which now has 2,000 youths at work in a Youth Corps operation analogous to the CCC's, and a similar thing that is developing in Florida and Michigan, Wisconsin, and other States, it would be appropriate for you to work directly with those programs and expand their ability to enlist more young people by making grants directly to them.

Now, are you saying you don't want to do it in that—

Mr. ANDERSON. We're not saying we don't want to do it in that way. The only thing we're saying is, if they meet the criteria, then we can work with them.

Senator CRANSTON. And it would be your intent to do so?

Mr. CUTLER. Yes. We appreciate the points you're making—efficiency and lack of overlapping, duplication of facilities, and so forth. I would certainly encourage the Forest Service to work with the State of California on perhaps a State-subregional basis to indicate State leadership or Federal leadership, whichever was most appropriate, to minimize any kind of duplication.

Senator CRANSTON. Obviously, one objective served by doing this is to work with lower levels of government, close to the people, and there is a lot of State land as well as Federal land where some worthwhile activities could be engaged in.

Mr. CUTLER. I think we'll go back and look at the California situation in particular, Senator, and see if we can't pay particular attention to some efficiencies in that regard.

Senator CRANSTON. Yes, and look at Wisconsin and Michigan, also. I just heard from the back row here.

If you could give us a report more specifically on what you propose to do in this regard, we would appreciate it.

Mr. CUTLER. We will be glad to. Thank you very much.

Senator CHAFEE. Just one question.

I suppose, in the line of duties that they might do in various communities where they're not—where the woods seem in fairly good shape, I suppose they might do beach work, and river cleanup and matters such as that as well?

Mr. CUTLER. I refer the Senator to both the last page of my prepared statement, which has a single-spaced list of quite a number of the labor-intensive work opportunities for the National Young Adult Conservation Corps, itemized, and also, simply to the bill itself, and sections 804(a) and 804(b), which provide the criteria for the kinds of work that can be done under this title.

We have something in the neighborhood of 100,000 man-years backlogged work of this kind on the national forests that needs to be done.

[The prepared statement of Mr. Cutler follows:]

STATEMENT OF M. RUPERT CUTLER, ASSISTANT SECRETARY FOR
CONSERVATION, RESEARCH, AND EDUCATION, U.S. DEPARTMENT
OF AGRICULTURE, BEFORE THE SUBCOMMITTEE ON EMPLOYMENT,
POVERTY AND MIGRATORY LABOR, COMMITTEE ON HUMAN
RESOURCES, UNITED STATES SENATE, ON THE NATIONAL YOUNG
ADULT CONSERVATION CORPS, APRIL 20, 1977.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I appreciate this opportunity to testify for the Department of Agriculture regarding the Administration's proposal for a National Young Adult Conservation Corps.

S. 1242 embodies the Administration proposal to add a new "TITLE VIII -- YOUTH EMPLOYMENT AND TRAINING" to the Comprehensive Employment and Training Act of 1973 (CETA). We recommend that S. 1242 be promptly enacted.

Part A of the new CETA title would establish a National Young Adult Conservation Corps, administered by the Secretaries of Agriculture and the Interior under agreements with the Secretary of Labor.

Up to 12 months of employment could be provided for persons between the ages of 16 and 22 on Federal and non-Federal public lands and waters. The Secretary of Labor could prescribe regulations under which those between the ages of 14 and 16 and those between the ages of 22 and 24 could also participate. The Secretaries of Agriculture and the Interior could make grants or enter into agreements with States, public agencies, and nonprofit organizations for the operation of Corps projects. Such sums as might be needed would be authorized to be appropriated for fiscal years 1977 and 1978.

The Forest Service and cooperating State forestry agencies have inventoried a substantial volume of conservation work much of which could be accomplished by young adults and which meets the criteria in sections

2.

804(a) and 804(b) of the new CETA title proposed by the Administration. A brief description of some of the labor-intensive work opportunities on lands or facilities administered by the Forest Service is attached to this statement. Hiring can begin as early as this summer if the Administration's bill and the pending appropriations request are quickly enacted.

In anticipation of prompt action, we are working with the Departments of the Interior and Labor to develop plans for rapid program implementation. However, much of the preparatory work, including facility maintenance, staff recruitment, and supply purchases, must await completion of congressional action on funds the Administration has requested.

S. 1242 is similar in many ways to several related proposals for a Young Adult Conservation Corps. We are pleased that there appears to be general agreement between the Administration and many members of Congress regarding the major elements of and the need for a special conservation work program for young adults. Although the proposals are quite similar, we believe S. 1242 contains several features which make it superior.

First, S. 1242 presents a coordinated, comprehensive program that deals with all aspects of youth employment and training within the framework established by the Comprehensive Employment and Training Act of 1973 (CETA). Although our involvement will be limited to the conservation work portion, namely the National Young Adult Conservation Corps, we recognize that the total Federal response to youth unemployment should not be approached in a piecemeal fashion.

3.

Referral of Corpsmembers from the public employment service, CETA prime sponsors, the Secretaries of Agriculture and the Interior, and from other agencies and organizations will help insure that the National Young Adult Conservation Corps is recognized and used as an important element of cooperative efforts by Federal, State, and local governments to employ young adults.

Second, the Administration proposal is designed to encourage at least a moderate amount of tenure among Corpsmembers which will increase the program's effectiveness while reducing administrative costs. Within the 12-month limit for individual participation, the Administration proposal would permit individuals to enroll for up to one 12-month period, two 6-month periods, or three 4-month periods. In contrast, some related proposals would permit an unlimited number of enrollments within the 12-month individual limit.

A related feature, unique to S. 1242, would permit an individual who attained the maximum enrollment age to complete his 12-month enrollment period if his enrollment is continuous after attaining the maximum age.

Third, S. 1242 would not allow Corps enrollments solely for the purposes of membership for the normal period between school terms. This provision is designed to prevent short-term summer enrollments that would reduce the number of positions available to persons who had completed school or left school for another reason. The National Young Adult Conservation Corps is neither to compete with nor be a substitute for the Youth Conservation Corps which is primarily a summer program for those between the ages of 15 and 19.



Fourth, S. 1242 would permit the Secretaries of Agriculture, the Interior, and Labor to coordinate the National Young Adult Conservation Corps with all related programs, including the Youth Conservation Corps and Job Corps. In contrast, some related proposals would require the Secretaries of Agriculture and the Interior to prohibit, to the extent practicable, Young Adult Conservation Corpsmembers from sharing, at the same time, common projects or facilities with Youth Conservation Corpsmembers. We recognize that certain Corpsmember characteristics and working conditions will require separate projects and facilities. We anticipate, however, that there may also be cases where members of the National Young Adult Conservation Corps, the Youth Conservation Corps and the Job Corps can effectively share work projects, dining facilities, recreational activities, and vehicles. The Secretaries of Agriculture, the Interior, and Labor should have the discretion to coordinate or separate the three Corps programs as local conditions warrant.

We believe S. 1242 represents the best approach to the problem of youth unemployment, and we look forward to working with you and the Committee to establish a National Young Adult Conservation Corps that will be enthusiastically supported by the majority of the Congress, the Administration, and most Americans.

This completes my prepared statement. I will be pleased to respond to any questions.

EXAMPLES OF LABOR-INTENSIVE WORK OPPORTUNITIES FOR THE NATIONAL
YOUNG ADULT CONSERVATION CORPS ON LANDS OR AT FACILITIES
ADMINISTERED BY THE FOREST SERVICE, U.S. DEPARTMENT OF AGRICULTURE

The following descriptions include only labor-intensive work; they do not include major projects requiring large capital investments. Individual work projects from within these broad categories would be evaluated to determine their suitability for the National Young Adult Conservation Corps.

Forest Management. Conduct various management operations associated with seed orchards and tree nurseries; plant and seed forest trees; prune and thin forest trees and carry out other timber stand improvement practices; dispose of logging slash; remove excess forest growth along roads to improve appearance and reduce fire hazard.

Watershed Management. Construct and/or maintain facilities and carry out management practices to prevent and control sheet erosion and to stabilize stream banks, gullies, lake shores, dunes, borrow pits, and mine dumps; construct sediment basins; clear stream channels.

Wildlife Management. Construct and/or maintain openings and facilities to improve wildlife and fish habitat.

Range Management. Seed grasses and other forage plants; control noxious weeds and rodents; construct and/or maintain fences, cattle guards, watering facilities, and other range improvements.

Recreation Management. Construct and/or maintain recreation facilities, sites, and trails; provide sanitation and other clean-up services; prepare and distribute interpretive and orientation materials for visitors.

Forest Protection. Collect data for forest insect and disease surveys; carry out direct control practices or management practices to control forest insects and diseases; cut and remove insect infested trees to reduce outbreaks and to salvage usable wood; construct and/or maintain fire access roads and trails, firebreaks, water storage facilities, and fire weather stations; serve as fire lookouts, fire prevention patrolmen, and on fire suppression crews; refurbish fire lookout towers; prepare fuel type maps, fire hazard maps, and travel route maps.

Forestry Research. Install, maintain, and collect data from research instruments; establish and/or maintain field research plots; install and/or maintain fences or other boundary markings on field research plots; carry out experimental practices on, collect samples from, and record data about experimental forests and ranges; maintain and operate greenhouses and similar research facilities; provide a variety of laboratory and field technician services.

General Maintenance and Office Work. Carry out painting, roofing, and other repair or remodeling tasks at offices, warehouses, garages, and other facilities; construct and/or maintain storage buildings, fire tool caches, and other small service buildings; improve and maintain landscaping; provide clerical, recordkeeping, library technician, and other office services.

Senator CHAFEE. Thank you very much.

Senator CRANSTON. Thank you very much.

Is Sam Brown, Director of ACTION, present now?

If not, we will move on to Mary Berry, Assistant Secretary of Education, Department of HEW.

Mrs. Berry, we welcome you to the committee, and thank you very much for your presence.

STATEMENT OF MARY BERRY, ASSISTANT SECRETARY FOR EDUCATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, ACCOMPANIED BY LINDA CHAVEZ, SPECIAL ASSISTANT FOR LEGISLATION, HEW

Mrs. BERRY. Thank you very much, Senator Cranston, and Senator Chafee and members of the committee, for permitting me to testify on this bill.

I'd like to introduce Miss Linda Chavez, who is a Special Assistant for Legislation in HEW, and is accompanying me today.

I am here because of our interest in HEW in the educational aspects of this particular bill. We are as concerned as everyone in the society, and as other governmental agencies, about youth unemployment. In particular, we do not want to do anything that would increase the amount of youth unemployment, or create a situation where young people drop out of school in order to participate in a new jobs program.

I want to address three specific points in my testimony.

First of all, the bill does have a general section—section 852, which provides for the awarding of academic credit when competency is derived from the work experience.

Now, on that issue, our concern is to make sure that the kind of work experiences that the youth would be involved in would be such that in the end they might have a greater probability of receiving academic credit.

And to that end, we would support that—and we would want to be involved in counseling and guidance and technical assistance in that area, to make sure, if at all possible, that the competencies derived from the work experience for these youth would lead to the award of credit. And we think that's important.

Another aspect that I wanted to address under part B of the legislation concerns in-school youths who are unemployed. We want to make sure that the kind of experiences that these youths have are such that, if at all possible, they can stay in school, not drop out and thereby possibly increase the unemployment rate, and that they obtain some work experiences that would lead to the award of school credit.

What we would do in that regard is to provide technical assistance, again, in the areas of counseling and guidance, work-study experiences, and other cooperative arrangements, where possible, so that these youths would be able to benefit from their work experience, and not be left to drop out of school.

The third point that I want to make is under part C, the innovative and experimental programs, section 838. There are a number of very good ideas that we support for innovative programs for students who are still in school.

We are very much interested in the career information systems aspect of part C which is encouraged under section 838, but we want to emphasize that we think that it is absolutely necessary that there be an occupational and career information focus in this particular bill.

I mean, youth, whether they're unemployed or employed, are very much in need of having information about job and career opportunities that are available to them, so that they can direct their educational activities in that direction.

Few States have attempted to develop a statewide career and occupational information program. We would just emphasize under section 838 that we would expect and hope that there would be a system developed.

Senator NELSON. What section are you saying?

Mrs. BERRY. Section 838, experimental programs; section 838(a), the last part, authorizes, among other things, the establishment of statewide career information systems.

Senator NELSON. You were not referring to section 832?

Mrs. BERRY. At this time I was not.

Senator CHAFEE. Pardon me, Mrs. Berry; where are we now? What page are you on? Do you have a copy of the act? 838?

Mrs. BERRY. Section 838(a).

Senator CHAFEE. (a)? Thank you.

Mrs. BERRY. I am referring to the innovative and experimental program which authorizes the provision of occupational, educational, and training information through statewide career information systems.

The point there is that few States have any such system, and it's absolutely imperative that youth, whether they are unemployed and out of school, or in school, have some kind of career advisory and career information system available to them. I wanted to emphasize that while there is a provision for the possibility of setting up such a system, I think it is imperative that there be such a system where that information would be available. We, in HEW, would be very much interested in helping the Department of Labor provide technical assistance, based on our own experience with the few cases where such systems do exist, and in making sure that this is done in this particular bill.

I think that as we consider the whole problem of youth employment, it is very important that there be the right kind of counseling, the right kind of guidance, the right kind of placement services, and better information provided to youth—in school or out—and that I think that that is a role that we can play.

We have, scattered throughout the Federal Government, some programs that provide various types of information to students, but there's no single comprehensive approach to the development of both a career/vocational and educational information service, and I would think that one should be available, not just to planners in vocational education and manpower training, but also to students.

And that is what we would suggest.

To summarize, let me say that our first concern is to make sure that we do everything we can to see to it that students who are in school have the best possible opportunities for developing work experiences where they can get credit.

Second, we are concerned that we don't do anything to create a condition where those students who are in school drop out to get into any of these programs. We want to do everything we can for students who have dropped out and who are involved in work experiences to see that they get education along with the work experiences.

These are the points I wanted to make, and I would be pleased to answer any questions that members of the committee might have.

Senator NELSON. Thank you very much, Mrs. Berry, for your presentation.

Did you have any questions, Senator Chafee?

Senator CHAFEE. Mrs. Berry, thank you very much. I just wanted to touch on a matter that is of interest to Senator Javits, and that deals with programs dealing with those youngsters in school, and if you check with part C of S. 1242, Senator Javits has some amendments there, too, dealing with the in-school youth.

It is the in-school youth program. Could you comment on that? Are you familiar with Senator Javits' amendment on that?

Mrs. BERRY. I am somewhat familiar with it.

Senator CHAFEE. And of course, it deals with the point you were making of wanting to keep the youngsters in school.

Mrs. BERRY. Right. I very much agree conceptually with the notion that the bill ought to make clear that there is an emphasis on keeping people in school. I know that the section of the bill does say that to the maximum extent feasible, the focus should be in part C on people who are out of school, and "maximum extent feasible" does not exclude a focus on students who are still in school, but it would seem to me that a logical inference could be drawn that not enough might be done for those who are still in school, I think that one way to make sure that the unemployment rate does not increase is to do everything possible to make sure that those people who are in school stay.

What one might develop under that set-aside are information, counseling, and guidance services for those students who obtain work-study experiences, so that they would be able to experience work and make some money while, at the same time earning some academic credit. The availability of these services and experiences is essential so that they are not led to drop out of school.

And so I would very much support the notion of placing greater emphasis on doing something about the students who are in school, as well as those who are out.

[The prepared statement of Mrs. Berry follows:]

Testimony for Mary Berry on Youth Employment Bill - April 20, 1977

Thank you for the opportunity to testify on behalf of the Youth Employment and Training Act of 1977. Certainly, there are few issues in this Nation today which require more urgent attention than providing more and better job opportunities to our young people.

We need not only provide swift assistance to these youth, but also create jobs which will help youth become more employable as a result. To the extent possible, these jobs should enable young participants to learn from adult workers, or lead to more challenging kinds of work, and equip participants with generic and transferable work skills.

To provide jobs with these kinds of characteristics, new answers are needed; hence the request here for a rather generous setaside for innovation and experimentation. We look forward to collaborating with prime sponsors, the Department of Labor and other Federal agencies in developing and implementing some innovative ideas for creating jobs that result not only in socially useful work, but also in greater competence ^{and} in respect _A for work among our Nation's young people.

Room 357, Russell Building

It is also important that a new youth employment bill provide a balance of opportunities for both in-school and out-of-school youth. We certainly do not want to create a situation where young people drop out of school in order to participate in a new job program. Doing so may even result in an increase in the youth unemployment rate, as more students enter the labor force. We are confident that the Department of Labor's implementation plans and regulations will address this potential problem and that programs will be structured accordingly. An added benefit is that intelligently conceived work experience for students can help to reduce "tuneouts" and increase students' motivation and achievement.

Acknowledged also in the bill is the need to provide specific transition assistance for those moving from school to work. Students need specific information which will help them approach career decisionmaking with a greater sense of realism about themselves and about the labor market. In addition, they need direct assistance in making contact with both employers and workers for the purpose of finding suitable jobs. By themselves, the provision of these information, counseling and placement services will not significantly reduce unemployment. However, to the extent that job search time, quit rates, and random job changing is decreased as a result of these services, that portion of the unemployment rate due to frictional causes could be reduced.

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I might note, in addition, that the provision of transition services between school and work is important regardless of the youth unemployment rate or the state of the economy. Our young people have a right to pursue the kinds of jobs which are the most likely to fit their particular aptitudes, abilities and interests, and schools ought to be able to help students make an effective match. Right now, most schools don't, although an increasing number are beginning to provide better information and placement services. This bill includes some authorizations to improve this situation, like the option to use some of the innovative and experimental program funds to make occupational and education and training information available through State-wide career information systems.

In conclusion, I envision a great partnership between the Federal Government, the States and localities and the private sector in resolving both the youth unemployment problem and the more generic problem of transitioning from school to work. All levels of government must work together, share information and provide technical assistance to one another. Failure to do so will result in needless duplication of effort, poor quality of services and low cost effectiveness. To the extent that we can under our current budget levels and discretionary authorities, HEW's Education Division will do its part to assure the success of this very important and timely initiative.

Senator CHAFFE. Fine. Thank you very much, Mrs. Berry.

Senator NELSON. Thank you very much, Mrs. Berry.

Our next witness is Mr. Sam Brown, Director of ACTION. Mr. Brown?

**STATEMENT OF SAM BROWN, DIRECTOR, ACTION, ACCOMPANIED
BY DON EBERLY, STAFF MEMBER**

Mr. BROWN. I would like to thank the committee for having me here this morning. I would also like to take a moment to introduce Don Eberly, of the staff, who is here with me this morning. I'm pleased to be the second Coloradan to testify here this morning; I'm proud of that.

I do have a prepared statement, and since there are some parts of it which I'm going to draw particular attention to, I would like to read most of it, with some emphasis in particular parts, if that meets with the approval of the committee.

Senator NELSON. You may present your statement however you desire. It will be printed in full in the record.

Mr. BROWN. Thank you.

Mahatma Gandhi had a two-part program for India in its drive toward independence. First, he wanted to mobilize masses of people to demonstrate on vital issues; second, he wanted to mobilize individual citizens for volunteer service work in such areas as well digging and sanitation.

He had mixed success. While he could recruit hundreds of thousands of people for a march to the sea, he could only gather a handful for long-term volunteer work in the villages.

The situation we face as a nation today is in some ways similar to Gandhi's dilemma. We've been through a war, during which citizens massed in large numbers to make their views known; eventually, and with additional initiatives by citizens and legislators, the public clamor was heard.

But in a time of peace, we are faced with domestic problems which are not yielding to our traditional ways of doing things. Poor children need help with reading and writing; mentally retarded and mentally ill persons in nursing homes—and nursing home residents, need individual attention.

But in addition to the human needs, we are years behind in meeting environmental needs. Ironically, at the same time we have nearly 3½ million young people out of work and looking for jobs, many of whom would welcome an opportunity to serve the young, the old, and the handicapped, or to work in national parks and forests, and our cities and neighborhoods.

It is within this dual context of unmet needs that must be addressed and the lack of jobs for a large number of young people that I believe we should view the various legislative initiatives dealing with youth employment. The reason for addressing both the demand and the supply sides of the equation is that it will enable us to better meet the needs of society and those of young people.

I wholeheartedly endorse the President's youth employment plan. It provides for a variety of public service opportunities for young people. They may serve at home or away from home. The emphasis is necessarily on poor and unemployed young people. The magnitude

of the effort is suitable for what can be efficiently managed for the next year and a half.

But I am especially pleased to note that the statements of purpose of the legislation include opportunities for service together with work experience, and it is for that reason that I am here this morning.

I want to go beyond the endorsement, to discuss the concepts—the various concepts of putting unemployed youth to work.

Under section 838 of S. 1242, the opportunity is presented for ACTION to continue to develop service-oriented program models. I am confident that together with Secretary Marshall, we can design sound program models that will provide long-term benefits to those who serve and to those who are served.

Projects utilizing in this way the efforts of young people must not be considered as “make work” for the poverty stricken or underprivileged who are unemployed. The work which is outlined for young people should derive from perceived community needs, not the hypothesized capabilities of the participants.

Those employer sponsors directly involved with young people should select them, rather than having them assigned. Sensing that the well-defined task and the chosen participant are a good match should foster a positive attitude on the part of the employer and the employee; it should result in more effective work and a more successful program.

All young people so employed can take pride in the fact that they have been chosen because they are considered to be suitable candidates for the task; there will be no stigma attached to serving.

It is evident that there is a tremendous amount of work to be done, and young people with different degrees of skills and talents are needed in a variety of places.

The concept of youth service is a concept familiar to many distinguished public servants of the past decade. When Senator Humphrey first put forward the Peace Corps ideas in 1960, he derived it in part from a previous proposal for national youth service. Similarly, VISTA was originally referred to as The National Service Corps.

Young people at the threshold of maturity should be involved in substantive activity through which they can identify with their society, by which they can gain a sense of participation and achievement in advancing permanent values, and through which they can emerge with a conviction of responsibility about their individual contributions.

I see three goals for the youth initiatives that complement the basic purpose of providing employment:

First, to accomplish needed human, social, and environmental services currently not being met.

Second, to enable young people to gain experience in addition to offering cross-cultural and nonclassroom learning experience.

And third, promoting a greater sense of self-worth and civic pride. In addition, of course, to improving the economic picture in terms of increased employment, the health, education, and social services can be substantial benefactors of such a program.

In 1973, ACTION tested one model of youth employment through service in Washington State; it was called the program for local service, and was, by all accounts, exceptionally successful. By 1975, Washington State had assumed financial responsibility for 95 percent of

the program costs. The Washington legislature is currently considering legislation that would provide continuing authority for the program.

Simplicity was the major attribute of the program; it was local in scope, without bureaucratic experts determining where and how a volunteer would work. The decisions in any national youth program could be left to applicants and local sponsoring organizations. Through that joint effort, the determination of jobs and final certification could work, based on that model developed in Washington State.

The Washington model did not place any restrictions on education or experience; overall, the PLS volunteers covered the socioeconomic spectrum. However, the income was well below average, and the unemployment rate among those who applied was at least 70 percent.

But the most important point is that no one was stigmatized in any category. For instance, a 22-year-old mentally retarded woman worked at a senior citizens center organizing events under the program. When her term was complete, the residents successfully petitioned the city council for funds to hire her permanently.

Sponsoring agencies hired 40 percent of the volunteers at the end of their service, and 71 percent of them reported that the volunteers "equalled or surpassed regular employees in motivation, responsibility and skills."

The work was more or less evenly distributed among health services, social services, with a special emphasis on education. PLS served a wide range of clients, including children and youth, low income and handicapped people, the elderly, criminal offenders, and women.

The value of these services, determined by the supervisors estimating the cost of replicating the volunteers' services, averaged just over \$7,000 for each year contributed. That compared to \$3,900 per volunteer-year cost, including volunteer allowances, stipends, medical coverage, recruitment, training, and administrative costs. It is difficult to place a dollar sign on the value to the participant, but the personal rewards must have been great, as many participants postponed their college educations or other plans to join. Many received jobs after their terms expired.

That experience offers a good example of a series of lessons: There can be valuable work to be done by young people, localities are quite capable of designing and implementing successful youth programs; young people who will be employed can have a much improved opportunity after that program for getting a job.

I think in some ways the most important element of that is that it is not simply a job, but that it can capture the imagination, the dedication of many of America's young people.

Careful attention should also be paid to the educational component of any such program, with encouragement to achieve GED degrees, or to get further educational certification for the work which they do under such a service program. It can be facilitated by the provisions for educational credit in the President's bill.

We believe that we at ACTION have exceptional qualifications for working alongside the other Departments in helping the Department of Labor to develop the program, especially in developing innovative programs of the type authorized in part C.

VISTA and many of the other ACTION programs are youth-oriented, service-oriented, and have a positive reputation. In addition,

of course, we conduct full-time programs such as Peace Corps, VISTA, university year in ACTION, and half-time programs for older Americans.

We have the statutory authority to provide technical assistance and support to youth programs in the private sector, and we can certify the work performed by participants.

ACTION is not rigidly institutionalized; it is flexible enough to contribute to a youth employment program alongside its existing volunteer programs.

The essential component of youth initiatives and youth service is the motivation of the participants to serve their communities. Those themes of social purpose, relationship, and responsibility are integral to the concept.

I believe we simply can not accept a volunteer program to fight poverty, a jobs program to combat unemployment, a health program to deal with medical problems—each separate from the other. We have to begin to recognize the inherent interrelationship of the programs and stop compartmentalizing them for some imagined bureaucratic ease or preservation of territorial rights.

I must say, I say that with all the wisdom now of 5 weeks of fighting for my territorial rights at various places, so I—with 5 years' experience, I may be saying things differently, but that at least is the way I feel about it now.

Getting a job is a major motivation for many of the people who come into voluntary service under programs like the PLS that I have described, or under VISTA. I imagine that that opportunity to provide public service is in the minds of many people as they enter other employment programs in the public sector.

I believe the President's proposal is the proper next step in dealing with unemployment and public service for young people. The important thing is to design and conduct those programs as part of a long-range effort to address those unmet national needs, and to offer opportunities for service, for career exploration, for personal growth, and for civic pride, as well as creating jobs.

I will be happy to answer any questions the members of the committee may have.

Senator NELSON. Thank you, Mr. Brown.

Under the statute, ACTION would not have any administrative responsibility. I take it, with respect to the program?

Mr. BROWN. Under part C, we have authority, in consultation with the Secretary of Labor, to work out arrangements for interdepartmental agreements which would make it possible for us to work with that department in some of the experimental programs, particularly in service to the communities included particularly in the legislation as one of the purposes of the employment.

Senator NELSON. So you do contemplate that—rather, you do believe that the proposed statute would authorize a role for ACTION to be played out in the field in addition to consultation here in Washington?

Mr. BROWN. That's right; yes.

Senator NELSON. Senator Chafee?

Senator CHAFEE. No questions.

Senator NELSON. Thank you very much, Mr. Brown.

[The prepared statement of Mr. Brown follows:]

Statement by Sam Brown on Youth Employment Legislation
Subcommittee on Employment, Poverty and Migratory Labor
Senate Committee on Human Resources April 20, 1977

Mahatma Gandhi had a two-part program for India in its drive toward independence. First, he wanted to mobilize masses of people to demonstrate on vital issues. Second, he wanted to mobilize individual citizens for volunteer service work in such areas as well-digging and sanitation. He had mixed success. While he could recruit hundreds of thousands of people for a march to the sea, he could only gather a handful for long-term volunteer work in the villages.

The situation we face as a nation today is in some ways similar to Gandhi's dilemma. We have been through a war during which citizens massed in large numbers to make their views known. Eventually, and with additional initiatives by citizens and legislators, the public clamor was heard. Now, in a time of peace, we are faced with domestic problems which are not yielding to our traditional ways of doing things. Poor children need help with reading and writing, mentally retarded and mentally ill persons and nursing home residents need individual attention. In addition to these human needs, we are years behind in meeting environmental needs. Ironically, at the same time we have nearly 3 1/2 million young people out of work and looking for jobs; many of whom would welcome an opportunity to serve the young, the old and the handicapped, or work in our national parks and forests, and our cities and neighborhoods.

It is within this dual context--unmet needs that must be addressed and the lack of jobs for a large number of young people--that I believe

we should view the various legislative initiatives dealing with youth employment. The reason for addressing both the demand and supply sides of the equation is that it will enable us to better meet the needs of society and those of young people.

I wholeheartedly endorse the President's Youth Employment Plan. It provides for a variety of public service opportunities for young people. They may serve at home or away from home. The emphasis is necessarily on poor and unemployed young people. The magnitude of the effort is suitable for what can be efficiently managed for the next year and a half. I am especially pleased to note that the statements of purpose of the legislation include opportunities for service together with work experience.

But, I want to go beyond this endorsement to discuss the concept of putting unemployed youth to work.

Under Section 838 of S. 1242, the opportunity is presented for ACTION to continue to develop service-oriented program models. I am confident that together with Secretary Marshall, we can design sound program models that will provide long-term benefits to those who serve and to those who are served. Projects utilizing the

Projects utilizing the efforts of young people must not be considered "make-work" for the poverty stricken or underprivileged who are unemployed. The work which is outlined for young people should derive from perceived community needs, not the hypothesized capabilities of the participants. Those employer-sponsors directly involved with young people should select them, rather than have them assigned. Sensing that the well defined task and the chosen participant are a good match should foster a

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positive attitude on the part of both the employer and employee. It should result in more effective work and a more successful program.

All young people so employed can take pride in the fact that they have been chosen because they are considered to be suitable candidates for the task. There will be no stigma attached to serving.

It is evident that there is a tremendous amount of work to be done in this country. Young people with different kinds and degrees of talent and skill are needed in a multiplicity of services.

Youth service is a concept familiar to many distinguished public servants of the past decade. When Senator Hubert Humpfrey first put forward the Peace Corps idea in 1960, he derived it in part from a previous proposal for national youth service. Similarly, VISTA was originally referred to as the National Service Corps.

Young people at the threshold of maturity should be involved in substantive activity through which they can identify with their society, by which they can gain a sense of participation and achievement in advancing permanent values, and through which they can emerge with a conviction of responsibility about their individual contributions to the improvement of their society. I see three goals for the youth initiatives that complement the basic purpose of providing employment: 1) to accomplish needed human, social and environmental services not currently being met, 2) to enable young people to gain experience in addition to offering cross-cultural and non-classroom

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learning experiences, and 3) to promote a sense of self-worth and civic pride. In addition to improving the economic picture in terms of increased employment, the health, education and social services of our country can be significant benefactors.

In 1973, ACTION tested one model of youth employment thru service concept in Washington State. It was called Program for Local Service (PLS) and was, by all accounts, exceptionally successful. By 1975, Washington State had assumed financial responsibility for 95% of program costs. The Washington legislature is currently considering legislation that would provide continuing authority for PLS.

Simplicity was the major attribute of PLS. It was entirely local in scope, without bureaucratic "experts" determining where and how a volunteer would work. As they were in PLS, these decisions in the new national youth program can be left to applicants and local sponsoring organizations. Through the joint efforts of applicants and sponsors, the determination of jobs and the final certification of placement could be a procedural replica of the PLS placement mechanism.

The Washington program did not place any restrictions on education or experience upon any applicant. Overall, the PLS Volunteers covered the socio-economic spectrum. However, the income was well below average and the unemployment rate was at least 70%. The important point was that no one was stigmatized in any category. For instance, a 22 year-old mentally retarded woman worked at a senior citizens center organizing events. When her term was complete the residents successfully petitioned the city council for funds to hire her permanently. As a matter of

fact, sponsoring agencies hired 40% of the volunteers at the end of their service, and 71% of them reported that the volunteers "equalled or surpassed regular employees in motivation, responsibility and skills."

The PLS participants' work was more or less evenly distributed. Educational services utilized 24% of the participants, health services claimed 20%, and a variety of social services engaged 45%. Also, PLS served a wide range of clients, including children and youth, low-income and handicapped people, the elderly, criminal offenders and women. The value of these services, determined by supervisors estimating the cost of replicating the volunteer's service, averaged just over \$7,000 for each year contributed. This compares with a \$3900 per volunteer year cost for volunteer allowances, stipends, medical coverage, recruitment, training and administration. It is difficult to place a dollar sign on the value to the participant, but the personal rewards must have been great, as many participants postponed their college educations to join. Many received jobs after their terms expired.

Our experience in Seattle offer a good example of the following: that there is valuable work to be done by youth; that localities can be quite capable of designing and implementing successful youth programs; and that the young people who will be employed can have a much improved opportunity after the program to get good job, further their education, and otherwise become productive citizens. As with PLS, the new programs of youth employment thru voluntary service could capture the imagination and idealism of today's youth by inviting them to address major national needs.

Careful attention should also be paid to the educational component of the new programs. Those participants who do not have a high school diploma should be encouraged to take the GED exam and those who serve should be encouraged to seek academic recognition for the knowledge and skills they've acquired. This educational dimension will be facilitated by the provisions for educational credit in the President's Bill.

ACTION has exceptional qualifications for working alongside the other departments in helping the Department of Labor to develop the program, especially in developing innovative programs of the type authorized by Part C of this bill. VISTA and other domestic programs are youth-oriented, service-oriented, and have positive reputations. In addition to full-time programs such as Peace Corps, VISTA, University Year for ACTION and half-time programs such as Foster Grandparents and Senior Companions, ACTION has the statutory authority to provide technical assistance and support to youth programs in the private sector. Also, it can legitimately certify the work performed by participants. ACTION is not rigidly institutionalized and is flexible enough to contribute to a youth employment program alongside its existing volunteer programs.

An essential component of these youth initiatives is the motivation of the participants to serve their communities. The common theme of social purpose, relationship and responsibility is integrated in the concept,

along with the thoughtful and careful allocation of one of the nation's most abundant and yet under-utilized resources--the energy, imagination and commitment of our young people.

we can no longer accept a volunteer program to fight poverty, a jobs program to combat unemployment and a health program to deal with medical problems each separate from the other. We must begin to recognize the inherent inter-relationship of these programs and stop compartmentalizing them for some imagined bureaucratic ease or preservation of "territorial rights." Getting a job is a major motivation for many persons entering volunteer service programs such as PLS and VISTA. I imagine that the opportunity to provide a public service is in the minds of many people as they enter Public Service Employment Programs.

I believe the President's proposal is the proper next step in dealing with employment and public service for young people. The important thing now is to design and conduct these programs as part of a long-range effort to address unmet national needs and to offer opportunities for service, career exploration, personal growth and civic pride to the nation's young people.

Senator NELSON. The last witness today will be Senator Humphrey, who I understand is on the way, so we will recess for 3 or 4 minutes until he arrives.

[Whereupon, at 11:35 a.m., a short recess was taken.]

[The committee reconvened at 11:55 a.m.]

Senator NELSON. Our last, but not least, witness is Senator Humphrey.

The committee is very pleased to have you here this morning, Senator Humphrey. I think everyone who is aware of your background knows that for more than a quarter of a century you have been making proposals and getting legislation passed on behalf of the youth of the country, including youth conservation type work, and everybody is aware of your leadership and authorship of the Peace Corps, which is another fine youth program.

So the committee is very pleased to have you here today to address yourself to an issue in which you no doubt have had more experience than any other legislator in either House.

Your statement will be printed in full in the record, and you may present it however you desire.

STATEMENT OF HON. HUBERT H. HUMPHREY, A U.S. SENATOR, FROM THE STATE OF MINNESOTA

Senator HUMPHREY. Well, thank you, Mr. Chairman. First let me thank you for your consideration in recessing the meeting and permitting me to come over from the meeting of the Joint Economic Committee.

By the way, you'll be interested in knowing that we have a number of top-ranking economists and advisors to governments from other countries meeting with us on the sixth floor of the Dirksen Building. One of the topics is youth unemployment, because youth unemployment is no longer just an American problem—it has become a pervasive international problem, particularly in Western Europe, and therefore, some of us have recommended, as you may recall—and I believe you were a cosigner on our letter to the President of the United States—that the President, working with the members of the OECD, the Western European countries and others, call an international conference on the problems of youth unemployment.

I appreciate this opportunity to testify on the Youth Employment and Training Act of 1977, and I commend you and the members of the Human Resources Committee for your swift action on this measure.

This bill is an excellent first step—and I underline the words "first step"—toward a comprehensive solution to the complex and disturbing problem of high unemployment amongst our Nation's young people. It was developed in a very heartening cooperative process that brought President Carter and Labor Secretary Ray Marshall together with concerned members of the Senate—you, myself, Senator Javits, Senator Jackson, Senator Randolph, Senator Stafford, and others—and the bill submitted by the administration shows the administration's attention to our concerns.

Now, more than ever, our young people need the help that will be provided by this bill. All across the country, unemployment had dealt

a devastating blow to the hopes and aspirations of our youth. And, I might add, all the projections that we have of economic recovery still leave a massive problem of youth unemployment. If you could increase the gross national product in real terms by as much as 8 or 9 percent per year it still would not get at the problems of youth unemployment. Therefore, we have to look at the problem of youth unemployment as a structural problem in our economy—one that is related to the social structure of our society as well as the economic structure of our economic system.

In March, the unemployment rate among teenagers 16 to 19 was 18.8 percent, compared to 5.1 percent among adults 25 years of age and older. Among black teenagers, the unemployment rate was 40.1 percent, and in many of our central cities disadvantaged youth have been experiencing an unemployment rate that exceeds 60 percent.

I believe that the figures that are most compelling on this, Mr. Chairman, are from the Urban League. If you have had the opportunity to visit with Vernon Jordan, the executive director of the Urban League, or if he has presented any testimony, you will see the immense problem that exists, really at catastrophic proportions, amongst teenage youth in our central cities.

There are 3.4 million young Americans today under the age of 25, who want to work, who are knocking on doors that remain closed to them. These young people are ready, willing and eager to work, but there are no jobs for them.

Many of these young people have not had a job for years. They're developing no work habits, no work skills, and as they enter the labor market, they are rejected. There's no place for them, which is a traumatic experience.

These young people need our help. They need it in large doses and now. This committee has just been given an opportunity to provide that help. Last week, President Carter presented us with an additional source of funds for youth jobs when he withdrew his proposal for a rebate on 1976 income taxes and the investment tax credit.

I supported the President's action on this decision, because I think the money could be better used for direct job creation programs. Let's devote a significant part of it to our youth job needs.

Here is a place where this committee could make a significant improvement on the President's proposal, and can do it swiftly. On the same day as the Youth Employment and Training Act was introduced, Senator Javits and I submitted an amendment—No. 184—that would provide \$1 billion this year and \$2½ billion in fiscal 1978 for programs in the bill.

This committee has already made a similar recommendation to the Budget Committee, and I compliment you and thank you. I urge you to stick by your guns on this figure and fight for the additional money for our young people, now that the elimination of the rebate and investment tax credit has made that added money available.

Any additional money we put into the youth employment programs will be an excellent investment in the future of this country, because the personal, social, and economic costs of youth unemployment are enormous.

Now, Mr. Chairman, I know that the President, in his recommendation of doing away with the tax rebate and the investment tax credit,

indicated—at least through some of the administration's spokesmen—that there was no intention to use these additional funds that would be saved for other matters, the idea being that the economy was making substantial improvement. Now, that is a fact. There has been an increase in productivity, in GNP, and in investment. Therefore, many of our problems are going to be, if not solved, at least somewhat reduced by the improvement in the economy.

I bring up my point again, and I think that you should ask any number of witnesses whether I'm in error or not. My point is that even if this economy has a substantial rate of economic growth over and beyond what we currently contemplate, it still will leave a very large body of youth unemployed.

Youth unemployment does not respond to the kinds of economic growth that are being forecast. So we've got a problem here that doesn't lend itself to solution through fiscal stimulus, a problem that doesn't lend itself to solution through monetary policy.

It's a problem where we will have to give young people a chance to learn on a job, to earn on a job, and to do something constructive. I want to also add that many of these young people are not qualified to receive unemployment compensation, because they've never had a job; they've never been in the labor market as earners.

Senator NELSON. I'd just like to say that this morning Secretary Marshall said almost exactly the same thing, that the youth unemployment problem was a structural problem, and that unemployed youth did not benefit substantially by any reduction in the general unemployment rate.

Senator HUMPHREY. Well, I'm very pleased that the Secretary said that. I know that he knows that: sometimes, the economic advisers to any administration seem to forget that.

I don't mean that the improved economy will not provide some jobs for young people—of course it will, but there's a large number of them that just will not be helped.

Senator NELSON. When you consider that the current adult unemployment rate is 5.1 percent and the youth unemployment rate is 18.8 percent, it's obvious that if you reduce the adult unemployment down to 3 percent, if the same relationship prevailed, you would still have very high youth unemployment.

Senator HUMPHREY. Exactly right, and, Mr. Chairman, if we don't move swiftly on this matter, we may well end up in the 1980's and the 1990's not only with a youth unemployment problem, but with a whole generation of middle-aged Americans who have had little or no job skills, and who will need total rehabilitation to become productive and self-supporting workers.

Now, one of the studies that was made by the Joint Economic Committee was the relationship between youth unemployment and crime, and it's there. Youth unemployment is a major cause of or source of, or generator of, crime.

In 1973, the last year for which we have comprehensive figures, 75 percent of arrests for serious crimes involved youth under the age of 25. Youths made up 75 percent of those arrested for arson and for robbery, 85 percent of those arrested for vandalism, for burglary and for auto theft.

But the important figure is not so much those, but the fact that as youth unemployment goes up in terms of its figures, crime goes up. As youth unemployment comes down, youth crime goes down.

Now, we can find this in our localities. I happen to live in this little town out in Minnesota called Waverly, Minn. We had just a handful of young people that walked the streets—didn't have anything to do. It's a very small town, and we had serious problems with vandalism. Youth crime, they called it.

They were constantly picking the kids up, putting them in the county jail over at Buffalo, Minn.; the sheriff had to hire additional deputies—it was a major problem, and in small towns this becomes a problem between the law authorities and the families—everybody kind of knows everybody.

Now, what happened? We got some money for a summer youth program. They started to develop the lakefront, the community got busy with EDA funds—what little we could get, and whatever other funds or we could gather together from private contributions, and they started to put these young people to work. And immediately, the vandalism stopped, and immediately the so-called "youth crime wave" that was overwhelming that little area, started to diminish, and immediately the problems that the sheriff was having with the young people in that particular area were practically nonexistent.

Now, I prefer to look at that—something that I know something about, that I've seen—than all of these statistics. The fact of the matter is that in every community where you provide gainful work, you have less social problems; you have less crime.

Now, the most direct and rapid way to alleviate youth unemployment is through specially targeted youth employment programs, such as you have in the Youth Employment and Training Act, because of the structural nature of youth unemployment problems. Economic recovery will not be sufficient.

What needs to be done?

Well, first we must create a significant number of jobs that are specifically targeted at young people, and these jobs must be useful and productive.

We should put a large percentage of the 3.4 million youth who are unemployed to work on projects that provide a useful public service, so that they know that the work that they're doing is adding something to the value of the community.

There is work to be done, and plenty of it. We have 40 million homes that need to be winterized and weatherized. We're going to go into a big insulation program, hopefully, in the coming year.

We have thousands of miles of railbed that need to be rebuilt, homes throughout the Nation that are in need of repainting and refurbishing, school buildings that are deteriorating, forests that need replanting, children and elderly that need care, and countless special local needs that idle young people could fulfill and fulfill well.

Parks, recreation areas, campsites—we need to build these things in this country. It's a national tragedy and shame that our youth are wasting their time and energies when there is so much to do.

Second, the jobs must provide some useful training. Much of this should focus on basic job skills. Young people need to know how to

get to work on time each morning, how to follow directions—even how to punch a timeclock. These are the most basic skills, and they can't be learned sitting at home, or on street corners.

In addition, more specific skills should also be taught—construction skills, mechanical skills, bookkeeping skills, but they should be taught as part of a job.

Third, we should provide both full-time and part-time jobs, in both public and private sectors. Young people who are out of school need full-time work, and we should provide it in abundance, but we shouldn't forget that many youths who are in school also need work just as desperately, to earn the money to stay in school and contribute to family income.

And finally, young people need good job counseling, and I underscore this—this is vital—job counseling: good job information and good job placement services. Youth employment in this country, as I've said, is a national disaster, and this bill we're considering today is an excellent start toward alleviating the problem.

The programs provided in this bill will go a long way toward fulfilling the labor market needs of our unemployed youth.

Now, I do think, however, that there are some improvements that this committee should consider.

First, as I mentioned at the start of my testimony, the funding levels should be increased. In his message to Congress on youth unemployment, President Carter called for spending \$1.5 billion on these programs through the end of next year, to create about 200,000 new youth jobs.

Now, this is only a drop in the bucket, when there are 3.4 million youth unemployed. I believe that this committee would be wise to increase the funding level for youth programs, especially now, as I said, that the President has withdrawn his proposal for a tax rebate and investment tax credit.

The amendment introduced by Senator Javits and myself—No. 184—authorizes, as I've noted, a billion for this year, \$2.5 billion for next year. In light of the severity of youth unemployment, this figure is far more appropriate than the earlier amount.

Second, there are two programs in our Comprehensive Youth Employment Act—the one that I introduced with Senator Javits and others—that are unfortunately missing from the President's Youth Employment and Training Act.

First, there is the work-experience for in-school youth programs, that would expand our work-study and on-the-job training programs for youth who are enrolled in secondary school programs. More than 1 million of our unemployed youth are in school and looking for part-time work—many to raise money to stay in school. The President's bill is targeted only at the out-of-school youth, and very clearly overlooks the desperate need of many youth who have made the decision to stay in school and finish their educations. And we ought to be doing something to encourage that.

We ought to make this youth employment program now an additional incentive for youths to stay in school and finish at least their high school educations. I know that Senator Randolph and Senator Stafford's proposal gives high school credit to youth who participate

in their program, but I suggest that we need to go even further, and develop a measure that integrates work experience and career exploration with a young person's educational program.

In our amendment, Senator Javits and I have taken the work experience program from our bill and adapted it to the framework of the President's bill. Under this, the CETA prime sponsors and the local educational agencies would jointly prepare an in-school program, and 15 percent of each prime sponsor's allocation would have to go to it.

Second, our bill includes an occupational information and career guidance proposal that would place trained job counselors in our Nation's high schools and junior colleges. And Mr. Chairman, this is absolutely essential. We would establish a national entry job level data bank that would be connected to computer terminals in high schools and neighborhood youth centers, and we would set up a program to train new job counselors and upgrade existing counseling services.

Senator Javits and I have tried to carry some of this over to the President's bill in our amendment, by allocating \$3 to \$5 million to the National Occupational Information Coordinating Committee, which Congress created last year under the Vocational Education Act. I hope you will add this provision into the final bill.

In addition, now that the withdrawal of the rebate and investment tax credit has freed up some resources, I hope you will also consider our proposal to place trained counselors right in the high schools and junior colleges so that they'll be readily available to the young people. This is not in the amendment Senator Javits and I proposed, but it should be very easy to include.

Mr. Chairman, I want to finish up now by pointing out that a youth employment program will be one of the most popular, widely supported actions that this Congress could take. On January 19, I placed in the Congressional Record the Gallup poll showing that 85 percent of those polled favored an enactment of a youth employment program—that people wanted it.

According to that poll:

"Few issues in polling history have received such overwhelming support by the American public."

We have a mandate to move ahead.

And finally, Mr. Chairman, one of the reasons that I came out in support of the President's decision on eliminating the tax rebate is that I think the American taxpayer is tired of putting out money and getting nothing back in terms of something that they can see, or something that adds constructively to this country. The American people are willing to pay for parks, campsites, they're willing to pay for service, they're willing to pay for job training, they're willing to pay to clean up our recreation areas, they're willing to pay to fix up our streets and our railroads, and they're willing to pay to plant our trees—and all the things that these young people could do.

But the American people are getting weary of paying out billions of dollars for just maintaining the bare minimum of existence. These young people will pay taxes, these young people will contribute to the total health of the economy, and more importantly, they'll have a sense of dignity and self-respect, which today they're fast losing as they stand on street corners and get in trouble, join up in gangs and

finally end up in what we call the "shadow economy"—living off the streets, ripping off, starting out with hub caps, and ending up beating old people over the head and snatching their purse.

I think we have a social and political responsibility to respond to this challenge. I hope that this committee will have the courage to fulfill its original design. You have presented a substantial amount of proposed budget to the Budget Committee; if you stay within that amount, I think you will be making a very substantial contribution to the solution of the problem.

Senator NELSON. Thank you very much, Senator Humphrey. This morning, Senator Javits did ask the Secretary—Secretary Marshall—to consider the proposal you are making here that of allocating \$3 to \$5 million to the National Occupational Information Coordinating Committee, which was created under the Vocational Education Act, and Secretary Marshall said he would respond. He would like to look at it and he'd respond to it later, so that particular proposal is now under consideration by the Secretary.

Senator HUMPHREY. I know that Secretary Marshall might like to go much further than the administration's bill. I think that's quite true. And I also understand that the President has a program, and he has to balance it off, but the President's youth employment program was presented at the time that he was still asking that we give an \$11 billion tax rebate.

That rebate's out, and if we've got—if we have some additional resources that we want to allocate, or that we think we could allocate, we should at least put part of those resources into this problem, and I don't know of anyone that knows it better than you, Mr. Chairman. You've been the leader in all of this youth employment program here, and I just hope that you'll seize this opportunity now to give us the kind of comprehensive legislation that is needed.

We've been nit-picking up to now; we've had all the problems of the previous administration on funding and all that; finally, we've got the go-ahead sign, at least on overall youth employment program, that goes far beyond summer jobs. And now we've got to move out.

Senator NELSON. Thank you very much, Senator Humphrey, for your very useful and well-spoken presentation.

[The prepared statement of Senator Humphrey follows:]

STATEMENT BY SENATOR ROBERT H. HUMPHREY
SUBCOMMITTEE ON EMPLOYMENT, POVERTY AND MIGRATORY LABOR
SENATE HUMAN RESOURCES COMMITTEE

April 20, 1977

Mr. Chairman, I appreciate the opportunity to testify on the Youth Employment and Training Act of 1977, and I congratulate you and the members of the Human Resources Committee for your swift action on this measure.

This bill is an excellent first step toward a comprehensive solution to the complex and disturbing problem of high unemployment among our nation's young people. It was developed in a very heartening cooperative process that brought President Carter and Labor Secretary Ray Marshall together with concerned members of the Senate -- you and I, Senator Javits, Senator Jackson, Senator Randolph, Senator Stafford, and others -- and the bill submitted by the Administration shows their attention to our concerns.

Now, more than ever, our young people need the help that will be provided by this bill. All across the country, unemployment has dealt a devastating blow to the hopes and aspirations of our youth.

In March, the unemployment rate among teenagers 16 to 19 years old was 18.8 percent, compared to 5.1 percent among adults 25 years old and over. Among black teenagers, the unemployment rate was 40.1 percent and, in many of our central cities, disadvantaged youth have been experiencing an unemployment rate that exceeds 60 percent.

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There are 3.4 million young Americans today under the age of 25 who want to work, who are knocking on doors that remain closed to them. These young people are ready, willing and eager to work, but there are no jobs for them.

These young people need help, they need it in large doses, and they need it now. This Committee has just been given an opportunity to provide that help. Last week, President Carter presented us with an additional source of funds for youth jobs when he withdrew his proposal for a rebate on 1976 income taxes and the investment tax credit. I support the President's action on this because I think the money could be better used for direct job creation programs. Let's devote a significant part of it to youth jobs.

Here is a place where the Human Resources Committee could make a significant improvement on the President's proposal, and could do it swiftly. On the same day as the Youth Employment and Training Act was introduced, Senator Javits and I submitted an amendment -- §104 -- that would provide \$1 billion this year and \$2.5 billion in fiscal 1978 for the programs in the bill. This Committee has already made a similar recommendation to the Budget Committee. I urge you to stick to your guns on this figure and fight for additional money for our young people, now that the elimination of the rebate and investment tax credit has made the added money available.

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Any additional money we put into youth employment programs will be an excellent investment in the future of this country, because the personal, social and economic costs of youth unemployment are enormous.

If we do not move swiftly to provide jobs for our youth, we may well end up in the 1980's and 1990's not only with a youth unemployment problem, but with a whole generation of middle-age Americans who have little or no job skills and who will need total rehabilitation to become productive and self-supporting workers.

In addition, youth unemployment is a major source of crime. In 1973, the last year for which we have comprehensive figures, seventy-five percent of arrests for serious crimes involved youth under the age of 25. Youth made up 75 percent of those arrested for arson and for robbery, and 85 percent of those arrested for vandalism, for burglary and for auto theft.

The most direct and rapid way to alleviate youth unemployment is through specially-targetted youth employment programs, such as those in the Youth Employment and Training Act. Because of the structural nature of the youth unemployment problem, economic recovery alone will not be sufficient.

What needs to be done?

First, we must create a significant number of jobs that are specifically targetted at youth, and these jobs must be useful and productive.

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We should put a large percentage of the 3.4 million youth who are unemployed to work on projects that provide a useful public service. There is work to be done, and plenty of it. We have 70 million homes that need to be weatherized. We have thousands of miles of railroad that need to be rebuilt, homes throughout the nation that need repainting and refurbishing, school buildings that are deteriorating, forests that need replanting, children and elderly that need care, and countless special local needs that our idle young people could fulfill, and fulfill well.

It is a national tragedy and a national shame that our youth are wasting their time and energies when there is much work to do.

Second, the jobs must provide some useful training.

Much of this should focus on basic job skills. Young people need to know how to get to work on time each morning, how to follow directions, how to punch a time clock. These are the most basic job skills, and they can't be learned sitting at home or on a street corner.

In addition, more specific skills should also be taught -- construction skills, mechanical skills, bookkeeping skills -- but they should be taught as part of the job.

Third, we should provide both full-time and part-time jobs, in both the public and private sectors. Young people who are out of school need full-time work, and we should provide it in abundance. But we shouldn't forget that many youth who are in school also need work just as desperately, to earn the money to stay in school or to contribute to family incomes.

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Finally, young people need good job counseling, good job information, and good job placement services.

Youth unemployment in this country is a national disaster. The bill we are considering today is an excellent start toward alleviating the problem. The young people in this country are very lucky to have a President and a Congress that are on their side.

The programs provided in this bill will go a long way toward fulfilling the labor market needs of our unemployed youth. The jobs created will be useful and productive, and they will provide good training in basic work skills. But there are some improvements this Committee should consider to make this proposal into the comprehensive youth employment program our young people deserve.

First, as I mentioned at the start of my testimony, the funding level should be increased. In his message to Congress on youth unemployment, President Carter called for spending \$1.5 billion on these programs through the end of next year, to create about 200,000 new youth jobs. Now, this is only a drop in the bucket when there are 3.4 million youth unemployed. I think this Committee would be very wise to increase the funding for youth programs, especially now that the President has withdrawn his proposal for a tax rebate and investment tax credit. Senator Javits' and my amendment -- number 184 -- authorizes \$1 billion for this year and \$2.5 billion for next year. In light of the severity of youth unemployment today, this figure is far more appropriate than the earlier amount.

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Second, there are two programs in our Comprehensive Youth Employment Act that are unfortunately missing from the President's Youth Employment and Training Act.

First, there is a Work-Experience for In-School Youth program that would expand our work-study and on-the-job training programs for youth who are enrolled in a secondary school program. More than 1 million of our unemployed youth are in school and looking for part-time work, many to raise the money to stay in school. The President's bill is targetted only at out-of-school youth and overlooks the desperate need of many youth who have made the decision to stay in school and finish their educations. An unfortunate side effect of the President's decision to target jobs on out-of-school youth is that it provides an incentive for youth to drop out of school in order to qualify for a job created by this proposal. This would be a terrible mistake.

Now, I know that Senator Randolph and Stafford's proposal gives high school credit to youth who participate in their program. But we need to go much further and develop a measure that integrates work experience and career exploration with a young person's educational program. In our amendment, Senator Javits and I have taken the work experience program from our bill and adapted it to the framework of the President's bill. Under this, the CETA prime sponsors and the local educational agencies would jointly prepare an in-school program, and 15 percent of each prime sponsor's allocation would have to go to it.

Second, our bill includes an Occupational Information and Career Guidance proposal that would place trained job counselors in our nation's high schools and junior colleges. We would establish a national entry job level data bank that would be connected to computer terminals in high schools and neighborhood youth centers. And we would set up a program to train new job counselors and upgrade existing counseling services. Senator Javits and I have tried to carry some of this over to the President's bill in our amendment, by allocating \$3 to \$5 million to the National Occupation Information Coordinating Committee which Congress created last year under the Vocational Education Act. I hope you will add this provision to the final bill.

In addition, now that the withdrawal of the rebate and investment tax credit has freed up some resources, I hope you will also consider our proposal to place trained counselors right in the high schools and junior colleges so that they will be readily available to youth while they are searching for their first jobs and making career plans. This is not in the amendment Senator Javits and I proposed, but it should be very easy to include.

Mr. Chairman, I want to finish up by pointing out that a youth employment program will be one of the most popular and widely-supported actions that this Congress could take. On January 19, I put a Gallup Poll in the Congressional Record showing that 85 percent of those polled favored enactment of a youth employment program. According to the Gallup Poll, "few issues in polling history have received such overwhelming support by the American public." We have a mandate from the American people to move ahead swiftly on the bill before us, and I congratulate you for doing just that.

Senator NELSON. The hearing will resume in this room at 10:30 a.m. tomorrow morning.

[Whereupon, at 12:14 p.m., the subcommittee was adjourned to 10:30 a.m., April 21, 1977.]

YOUTH EMPLOYMENT AND TRAINING ACT OF 1977

APRIL 21, 1977

U.S. SENATE,
SUBCOMMITTEE ON EMPLOYMENT, POVERTY
AND MIGRATORY LABOR OF THE
COMMITTEE ON HUMAN RESOURCE,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10:40 a.m. in room 357, Russell Senate Office Building, Senator Gaylord Nelson (chairman of the subcommittee) presiding.

Present: Senators Nelson, Williams (chairman of the full committee), and Javits.

Senator NELSON. Our first witnesses this morning are the Honorable Kenneth Gibson, mayor of Newark, N.J., representing the U.S. Conference of Mayors, and Phyllis Lamphere, representing the National League of Cities.

The committee is very pleased that you have taken the time to come here and offer your testimony this morning on the youth employment legislation and CETA extension legislation that is pending before the committee.

Your statements will be printed in full in the record. You may present them however you desire. If you wish to extemporize from them, that is fine too. Who will start?

STATEMENTS OF HON. KENNETH A. GIBSON, MAYOR OF NEWARK, N.J., AND HON. PHYLLIS LAMPHERE, CITY COUNCIL, SEATTLE, WASH.

Mr. GIBSON. Mr. Chairman, I am Ken Gibson, mayor of the city of Newark. I am the president of the U.S. Conference of Mayors. With me, of course, as you indicated, is Phyllis Lamphere, who is president of the National League of Cities.

I intend to deal primarily with the youth aspects of the legislation and Phyllis will concentrate on CETA reauthorization.

On behalf of the U.S. Conference of Mayors and the League of Cities, I would like to express our appreciation for the opportunity to appear to discuss the enactment of S. 1242, the Youth Employment and Training Act of 1977. This certainly is a particularly appropriate time given the devastating effects of the economic slump on our young people, an appropriate time to discuss a new youth title VIII to the Comprehensive Employment and Training Act.

Certainly, everyone in this room is well aware of the alarming rates of unemployment for workers under 25 years of age, particularly among those who are black and living in urban areas. The high rate

of unemployment among youth is one of the most visible and serious barometers of the Nation's economic problems.

Inner-city youth are trapped in a long-term trend of increasing unemployment which has proved unyielding despite wars, periods of prosperity, recession, or recovery. Most mayors I speak with estimate urban black unemployment in their cities to be well over 50 percent—and this does not even fully account for the large number of young people who become discouraged, drop out, and go uncounted as unemployment statistics are developed.

The magnitude and duration of these figures alone suggest to me that their causes run far deeper than just a shortage of job opportunities for young people. The youth problem is a complex one because it involves a balance between an emphasis on providing jobs and job training and providing a broad range of other opportunities and options. If we are to fully address youth unemployment, we must be aware of this interaction between vocational and social opportunity.

The Conference of Mayors and League of Cities represent the elected officials who daily confront the consequences of youth unemployment—high crime, vandalism, alcoholism, drug abuse, and alarmingly high school dropout rates. We have long promoted youth programs as a comprehensive and integrated part of community services.

A youth services resolution calling for a national youth policy directed toward the educational, employment, and social needs of youth was adopted at the 44th annual meeting of the Conference of Mayors in Milwaukee, Wis., in July 1976. It is this kind of total approach which we hope to see incorporated in the new youth legislation.

The Comprehensive Employment and Training Act is the appropriate vehicle to launch this major initiative. CETA has, since its inception, increasingly served as the mechanism for building a youth employment system at the local level. Under CETA the Federal manpower role was reduced, and local governments were given increased flexibility to shape programs to locally determined priorities.

State and local officials were able to experiment with ideas that had never been tried before. In a growing number of cities, CETA youth programs are not simply an employment effort, but an endeavor linking the school with the work place; the private sector and labor with public resources; supportive services with skill training; and CETA dollars with other Federal and local funds.

We are pleased that President Carter and the congressional leadership agree that creation of a new CETA title VIII youth employment program is a major step toward addressing the needs of our nation's young people.

The Conference of Mayors and the League of Cities fully support the philosophical and conceptual bases for that effort. However, we also feel that our desire to hasten the initiation of a major youth employment program should not override our consideration of issues which might seriously impede, if not undermine, that goal.

The administration's youth bill is a positive beginning but it does contain some serious defects which we believe warrant your attention. Therefore, we recommend that S. 1242 be revised to meet the intent of the congressional leadership and the membership of this committee.

First, the level of funding being proposed by the President. The

\$1.5 billion administration youth package creates 240,000 new jobs. By most estimates, there is a hard core level of, at least, 600,000 unemployed youth, most of whom are concentrated in urban areas.

The \$1.5 billion in new Federal dollars will only begin to ameliorate the problem of inner-city youth unemployment. While we recognize that Federal dollars alone are not the answer, we contend that a higher level of funding will provide far greater impetus for dealing with massive youth unemployment.

We believe that the \$2.5 billion authorized by the full Human Resources Committee in the fiscal year 1978 budget report should be appropriated for youth employment programs under this bill.

Second, the allocation methodology. We feel that the provisions of the President's bill do not sufficiently target dollars to the most disadvantaged youth of our country—inner-city minority teenagers.

Part A, the National Young Adult Conservation Corps, while attempting to locate work sites near participants' homes, allocates funds to a federally administered, rurally focused, employment program.

The discretionary allocation formula under part B—the Youth Community Conservation and Improvement project portion of the bill—is unclear. Language in section 813 says only that the Secretary shall take into consideration the severity of unemployment among eligible youths.

We would like to avoid the fiasco attendant to the recent public works allocation with some major cities not receiving their equitable share of the moneys, and acute urban needs going unmet. Since the allocation of funds is determined by individual projects, cities are left competing for a limited number of dollars. We suggest, as an alternative, directed targeted allocations to prime sponsors with strong reallocation procedures if no acceptable proposals are submitted.

Additionally, the approval process under part B is administratively inefficient and puts the cart before the horse. It forces prime sponsors to make local decisions between applications before the prime sponsor has any reasonable estimate of available dollars.

Prime sponsors should be applying for projects from a known dollar pool. Finally, giving the Secretary of Labor final approval over all local project determinations clearly contravenes the decentralized intent of a CETA program.

Part C—the comprehensive youth employment and training programs—also relies on a project approach for distribution of 50 percent of the \$900 million available under this part. We are strongly opposed to setting aside 50 percent of part C dollars for distribution on a project rather than a straight formula basis. We understand that in allocating the \$450 million under part C, the Department of Labor is developing a point system for weighing local need; however, we also understand that responsibility for insuring equitable distribution of dollars will be left to the regional offices of the Department of Labor.

There is no evidence to indicate that regional offices will more effectively identify and allocate dollars to areas of high need than the national office could do through a straight distribution formula. Furthermore, past experience with regional offices indicates disparate and inequitable treatment of prime sponsors depending on what region of the country a jurisdiction is located in.

While we support the set-aside of some program dollars for the development of innovative demonstration programs, we recommend that at least 80 percent of the available \$900 million of part C be distributed on a formula basis targeted to areas of high youth unemployment.

The remaining 20 percent would be discretionary money for use by the Secretary of Labor. Additionally, we would suggest the Congress consider the feasibility of taking youth—not adult—unemployment statistics into account when determining allocations.

Third, we are concerned that the program design of S. 1242 places too little emphasis on the diversity of urban youth needs and local resources. As currently drafted, the bill is primarily a program for out-of-school youth, with an added emphasis on short-term (1 year) projects.

While we recognize that the unemployed out-of-school youth is a particularly high unemployment risk, the Conference of Mayors and League of Cities also believe that a strengthened school/work transition is the only way to alleviate the growing problem of a youth "drop-out" population.

If the new youth initiative is to be fully comprehensive, then local prime sponsors must be given the opportunity to serve all portions of the youth population. We would also urge that any language encouraging linkages between CETA and the local education authority permit prime sponsors the flexibility to both develop educational alternatives for disaffected youth and also improve traditional in-school programs. We hope that this committee would look to strengthening the occupational counseling, career guidance, and labor market information available to our young people.

Nowhere in S. 1242 is there a clear attempt to improve access to the private sector. Private sector resources must supplement the public sector if cities are going to alleviate youth unemployment. There is strong argument for this cooperation.

Statistics show that 9 out of 10 jobs in our economy are still in the private sector. If unemployed youth are to obtain nonsubsidized, full-time employment as adults, they should have some exposure to the skill required for employment in the private sector.

Mayors and city officials are in a key position to utilize new Federal youth dollars in a collaboration with the private sector and a new administration to expand on the national youth employment effort.

Congress should expand on existing language in S. 1242 to provide a variety of mechanisms which encourage the private sector to open labor market opportunities to disadvantaged minority youth. For example, tax credits on salary subsidies could be provided to those private sector employers who provide training and employment opportunities to young people.

Fourth, we object to the general provisions detailed in part D that apply prevailing Davis-Bacon wage rates to part B and part C projects over \$5,000. Adult unemployment is still a major economic concern and we sincerely doubt this administration and Congress would want to create a situation which gave rise to the old adage "feed the child, starve the father." Such a regulation would limit both cities' capacity to fully serve the young population and the variety of jobs youth might perform.

Finally, we hope that Congress will establish a timetable under this bill which will recognize the constraints to immediate implementation. Prime sponsors are already working around the clock developing new CETA title II and VI public service employment projects and the 1977 summer program.

The balance between our desire for an immediate youth stimulus and a quality program must be struck. A preferable funding pattern would be the release of planning dollars during the remainder of this fiscal year, with the bulk of the moneys available in the beginning of fiscal year 1978.

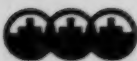
Youth employment programs must create careers—not just jobs—and they must be coordinated with other youth-oriented programs in a total strategy aimed at extending the capabilities of our young people.

The locally elected officials of this country are anxious to work with Congress and the Carter administration in developing such a strategy. It is our belief that CETA can, and does, encourage better planning, comprehensiveness, and effectiveness in the delivery of youth employment programs.

In conclusion, Mr. Chairman, I would like to reiterate our support for the overall thrust of this bill. We feel that the recommendations we offer will broaden the youth initiative already taken by the President and Congress. Youth unemployment will never be fully eradicated, but it can be alleviated. It is our hope that the Youth Employment and Training Act of 1977 will be the beginning of our attempt to meet that challenge.

Thank you.

[The prepared statement of Mr. Gibson follows:]



NATIONAL LEAGUE OF CITIES



UNITED STATES CONFERENCE OF MAYORS

STATEMENT BY

THE HONORABLE KENNETH A. GIBSON
MAYOR OF NEWARK, NEW JERSEY
PRESIDENT, UNITED STATES CONFERENCE OF MAYORS

ON BEHALF OF

THE UNITED STATES CONFERENCE OF MAYORS

and

THE NATIONAL LEAGUE OF CITIES

Before The

SUBCOMMITTEE ON EMPLOYMENT,
POVERTY, AND MIGRATORY LABOR
Of The

SENATE COMMITTEE ON HUMAN RESOURCES

April 21, 1977

1620 Eye Street, N.W., Washington D. C. 20006 / 202-293-7300

Mr. Chairman, members of the Subcommittee on Employment, Poverty, and Migratory Labor. My name is Kenneth A. Gibson. I appear here today as Mayor of the City of Newark, New Jersey and President of the United States Conference of Mayors. With me is Phyllis Lamphere, President of the National League of Cities, I would like to express our appreciation for the opportunity to discuss with this Committee the enactment of S. 1242, the Youth Employment and Training Act of 1977. This is a particularly appropriate time--given the devastating effect of the economic slump on our young people--to discuss a new youth Title VIII to the Comprehensive Employment and Training Act (CETA).

Certainly, everyone in this room is well aware of the alarming rates of unemployment for workers under 25 years of age, particularly among those who are black and living in urban areas. The high rate of unemployment among youth is one of the most visible and serious barometers of the nation's economic problems. Inner-city youth are trapped in a long-term trend of increasing unemployment which has proved unyielding despite wars, prosperity, recession, or recovery. Most Mayors I speak with estimate urban black unemployment in their cities to be well over 50 percent--and this does not even fully account for the large number of youth who become discouraged, drop out and go uncounted as unemployment statistics. The magnitude and duration of these figures alone suggest to me that their causes run far deeper than just a shortage of job opportunities for young people. The youth problem is a complex one because it involves a balance between an emphasis on providing jobs and

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- * Part A, the National Young Adult Conservation Corps, while attempting to locate work sites near participants' homes, allocates funds to a federally administered, rurally focused, employment program.

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Nowhere in S. 1242 is there a clear attempt to improve access to the private sector. Private sector resources must supplement the public sector if cities are going to alleviate youth unemployment. There is strong argument for this cooperation. Statistics show that nine out of ten jobs in our economy are still in the private sector. If unemployed youth are to obtain non-subsidized full-time employment as adults, they should have some exposure to the skill required for employment in the private sector. Mayors are in a key position to utilize

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new federal youth dollars in a collaboration with the private sector and a new administration to expand on the national youth employment effort. Congress should expand on existing language in S. 1242 to provide a variety of mechanisms which encourage the private sector to open labor market opportunities to disadvantaged minority youth. For example, tax credits on salary subsidies should be provided to those private sector employers who provide training and employment opportunities to young people.

Fourth, we object to the general provisions detailed in Part D that apply prevailing Davis-Bacon wage rates to Part B and Part C projects over \$5,000. Adult unemployment is still a major economic concern and we sincerely doubt this Administration and Congress would want to create a situation which gave rise to the old adage "feed the child, starve the father." Such regulation would limit both cities' capacity to fully serve the youth population and the variety of jobs youth might perform.

Finally, we hope that Congress will establish a timetable under this bill which will recognize the constraints to immediate implementation. Prime sponsors are already working round-the-clock developing new CETA Title II and VI public service employment projects and the 1977 Summer program. The balance between our desire for an immediate youth stimulus and a quality program must be struck. A preferable funding pattern would be the release of planning dollars during the remainder of this fiscal year, with the bulk of the monies available in the beginning of Fiscal Year 1978.

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Youth employment programs must create careers--not just jobs--and they must be coordinated with other youth-oriented programs in a total strategy aimed at extending the capabilities of our young people. The locally elected officials of this country are anxious to work with Congress and the Carter Administration in developing such a strategy. It is our belief that CETA can, and does, encourage better planning, comprehensiveness, and effectiveness in the delivery of youth employment programs.

In conclusion, Mr. Chairman, I would like to reiterate our support for the overall thrust of this bill. We feel that the recommendations we offer will broaden the youth initiative already taken by the President and Congress. Youth unemployment will never be fully eradicated, but it can be alleviated. It is our hope that the Youth Employment and Training Act of 1977 will be the beginning of our attempt to meet that challenge.

Thank you for your time and attention.

RESOLUTION ADOPTED AT 44TH ANNUAL MEETING
JULY, 1976
MILWAUKEE, WISCONSIN

TELEPHONE 294-7496
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UNITED STATES CONFERENCE OF MAYORS

1620 EYE STREET, NORTHWEST

WASHINGTON, D. C. 20006

34. COMPREHENSIVE YOUTH SERVICES

WHEREAS, the future of our nation depends on the development of our youth; and

WHEREAS, chronic unemployment, now reaching a rate of 30-40%, exists among the youth of our cities; and

WHEREAS, youth are inadequately prepared during the school years for the world of work; and

WHEREAS, youth access to work and service experiences affording productive earning and learning opportunities is overly restricted; and

WHEREAS, there is an underdevelopment of both youth advocacy and representation of legitimate youth interest and needs; and

WHEREAS, conditions of poverty, unemployment, and dependency leave urban youth permanently disenchanted with the idea of full participation in the economic and social structure of this society; and

WHEREAS, our approach to youth problems is characterized by a patchwork of services and programs,

NOW, THEREFORE, BE IT RESOLVED that the United States Conference of Mayors calls for Congress and the President to establish a comprehensive youth services policy, directed toward the educational, training, employment, and social needs of youth; and

BE IT FURTHER RESOLVED that such policy include:

- Emphasis on improving and expanding the role of education in transitioning youth from school to work and in helping youth develop and achieve broader career objectives throughout their work years;
- Programs combining training, work and service in both the public and private sectors;
- Opportunities for work on urban restoration projects, community service programs, and rural conservation projects;
- Improved access to health, recreational, social service, juvenile justice, and other programs available in the interest of health and productivity;
- Development of research tools to measure the needs of youth and the kinds of resources required.

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34. COMPREHENSIVE YOUTH SERVICES (continued)

BE IT FURTHER RESOLVED that the United States Conference of Mayors supports increase funding of current employment programs under Title III of the Comprehensive Employment and Training Act of 1973; and

BE IT FURTHER RESOLVED that youth programs must include private sector and labor union involvement and experiences; and

BE IT FURTHER RESOLVED that the United States Conference of Mayors calls for the creation of a youth advocacy function--with policy and program responsibilities--at the highest levels of Federal Government with both private and public leaderships involved; and

BE IT FURTHER RESOLVED that the United States Conference of Mayors supports local youth programming to be managed by a wider authority, based on collaborative relationships among Local Elected Officials and their representatives, business, industry, educators, voluntary organizations, parents, youth, and committed citizens.

Mr. GIBSON. Mr. Chairman, if I may, I would like to suggest that Phyllis Lamphere make her statement before we deal with questions.

Senator NELSON. That is what I was going to suggest.

Our next witness is the Honorable Phyllis Lamphere, council member of Seattle, Wash., and president of the National League of Cities.

Ms. LAMPHERE. Thank you very much, Mr. Chairman and members of the committee. I am Phyllis Lamphere, a member of the Seattle City Council and the president of the National League of Cities. My statement today will focus on an area of major concern to local elected officials; namely, public service employment programs, and second, to comment on the administration's proposed amendments to the basic CETA law.

First, Mr. Chairman, with your permission, I would like to submit for the record the National League of Cities' policy statement on the youth employment issue which was adopted at our annual meeting. That is attached.

Senator NELSON. That will be printed immediately following your statement in the record.

Ms. LAMPHERE. Thank you, sir.

Very briefly, our policy statement recognizes the goal of full employment and job opportunities for all. It is the first priority of this Nation. Achievement of this objective can be accomplished only by developing a system of cohesive economic policies involving a partnership at all three levels of government and the private sector.

Most immediately, we recommend a realignment of Federal expenditures which would target on areas of high unemployment, in a re-examination of current Federal regulatory and taxing policies that discriminate against inner cities and other areas of high unemployment.

City officials regard CETA as an integral part of a cohesive strategy to attain full employment, including use of the CETA system as a tool for providing employment to persons receiving income support payments who are able to work. This committee is certainly well aware of the national economic conditions which precluded a smooth start up of this major employment program.

However, despite our initial difficulties, CETA is a significant step in the direction of attaining full employment and should be reenacted and strengthened by providing:

First, forward funding in advance of the operating program year; greater decentralization and less regulation by the Department of Labor; a larger role for local prime sponsors in setting local employment goals; greater local flexibility to target funds according to local needs; the development and transfer of more sophisticated techniques in predicting local labor market trends and in managing local employment and training programs to increase local government capacity to provide more effective job training; inclusion of additional resources to provide training and start-up employment opportunities to young people, including those who are reaching their mid and late twenties without ever having held a job; the pooling of moneys from social insurance and income support programs with CETA moneys to provide increased training and employment for those who must accept appropriate and available work; requirements for strengthened

interrelationship with vocational education programs; greater flexibility for establishing linkages under the CETA program with the private sector; and the development of more accurate unemployment statistics to insure funding commensurate with actual unemployment conditions and realistic employment planning.

On the issue of public service employment, Congress and the administration appear to be close to doubling the existing public service jobs program with further increases anticipated in the next fiscal year. We certainly applaud this initiative but we are, nonetheless, somewhat concerned.

Over the past 2 years there has been much criticism of the effectiveness of cities in operating the public service employment program. We stand accused of using a Federal program designed to deal with the programs of the unemployed as a program to "bail out the cities."

That this impression has stood unchallenged so long means that we have failed to explain adequately what has been happening and why. The impact of the economic recession over the last several years was felt most keenly at the local level because cities have the narrowest economic base. There is simply less room to make adjustments in the public sector at the local level than there is anywhere else.

Faced with increasing unemployment and subsequent losses of local revenues a very large number of municipal officials who, in many cases are prohibited by law from deficit spending, were forced to impose hiring freezes or, for the first time to lay off public employees.

The demand for the services provided by these former employees does not leave with them, and CETA participants have been moved into some of these positions. The need to provide essential services such as police and fire protection and trash collection cannot be deferred until the economy improves.

If using CETA funds to provide services which would not otherwise be provided by hiring officials who would otherwise be unemployed is substitution, we are guilty as charged. In our view, that is not substitution. It accomplishes the objective of the program by employing the unemployed and it allows cities to provide essential services to the communities that would not otherwise be provided.

We have serious reservations about recent studies of the public services employment programs. GAO's recent report was conducted the first 6 months that title VI was operative, released 2 years later and perceived as the current situation.

As you well know, rules and regulations were developmental. Conflicting directives were being issued by the Department of Labor and local governments were infused with massive dollars to be spent immediately, hardly a period to review program effectiveness objectively.

Charles Killingsworth, professor of economics, labor, and industrial relations at Michigan State University said this of public service employment studies:

None of the studies relied upon is based on direct observation of the public service employment program. All of them are largely theoretical analyses of State and local expenditure patterns under other kinds of Federal grant programs. And the authors assume that the behavior of State and local governments will be the same under the PSE program. Despite obvious weaknesses these studies are frequently cited as indisputable fact, which is surely a disservice to rational discussion of an important issue in public policy.

We would be very pleased to work with Congress and the GAO to develop a more rational inquiry into program operations. If there are problems with these programs we are as interested in knowing about and rectifying them as is anyone else and would like to participate in the discussion and evaluation of this vital policy question.

The most fundamental issue with regard to PSE that has led to the controversy is the uncertainty over its purpose, as stated in the law, as perceived by Federal policymakers, and as actually implemented.

It is viewed as a panacea for solving a multitude of problems related to employment and to the economy, for attacking structural unemployment and for reaching special target groups. It is viewed as transitional employment with the participant eventually moving into unsubsidized jobs, and it is viewed as a means of pumping money into the system and thereby stimulating the economy.

These goals are inconsistent. Overcoming structural unemployment cannot be done quickly. The persons affected have poor or no attachment to the labor market. They need job development services, labor market orientation services, and they need experience in a working environment.

The participants in the program differ greatly according to their situation prior to entering public service employment. The welfare recipient, for instance, one of the targets of the program, has all the problems related to lack of job skills I just described. The young adult, who may never have held a job, may have social problems as well which require a different kind of service.

And then, there are persons who have been unemployed a relatively short period of time who have a history of stable employment and whose employer may have been affected adversely by the recession. That person is job ready.

If local governments are under pressure to increase the number of persons enrolled in public service employment, they are likely to choose a larger number of job ready persons first. Integrating the other groups takes longer and costs more money because of the additional services needed.

In periods of high unemployment we must not have false expectations with regard to the results of public service employment. If the primary goal is to pump the economy, then cities must place job ready persons, to a large degree, in the slots.

The ongoing program must plan for integrating the structurally unemployed, including welfare recipients, into the permanent CETA program. That program would be increased through project or structured programs providing a transition of public service employment as the unemployment rate declines.

As to the administration's proposed amendments to the basic CETA law, it was initially our expectation that Congress would adopt a simple one-year extension and seek no substantive amendments to the basic legislative structure at this time. Our experience with the CETA program has been, overall, very satisfactory. We are quite concerned that at this late date there will be attempts to initiate several so-called minor changes.

We are concerned with both the strategy of just a few amendments as well as with the substance of the proposals. It is our

thought that once the door to amending the legislation is open there will be no end to the types of amendments proposed with a consequent delay in reenactment.

Those that will suffer most from a failure to extend CETA will, of course, be the unemployed, those who can least afford delay in receiving assistance. We are also quite concerned with the substance of the proposed changes.

As you well know, the previous administration, through regulations, attempted to impose a mandatory percentage requirement in hiring veterans. This requirement was feasible in some jurisdictions; it was not in others.

The outcome in those jurisdictions which were unable to meet the quota because those who qualified did not reside in those communities was that the entire program came to a grinding halt. This scarcely meets the intent of the legislation, nor does it serve the unemployed very well.

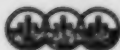
We realize that the administration's language does not propose any percentages, but we do hear talk about 35 percent, and that is a logical next step, a step we vigorously oppose. Unless there is clear legislative language restricting the Department of Labor from imposing mandatory national quotas we cannot support this amendment.

We are alarmed at the administration's proposal to repeal the 20-percent requirement in title III and IV. The intent of this suggested change appears to us to bode ill for the future of employment programs operated at the local level, programs currently based on local understanding of local problems and needs.

What we see is an attempt to erode the block grant concept and to recategorize employment programs. This approach has been tried and found wanting and we see little point in returning to a discredited past.

I wish to thank you, Mr. Chairman and members of the committee for the opportunity to present this testimony. Now, if there are any questions for Mayor Gibson and me, we would be very pleased to attempt to respond.

[The prepared statement of Ms. Lamphere and other materials follow:]



NATIONAL LEAGUE OF CITIES



UNITED STATES CONFERENCE OF MAYORS

STATEMENT BY

THE HONORABLE PHYLLIS LAMPHERE
COUNCIL MEMBER, SEATTLE, WASHINGTON
PRESIDENT, NATIONAL LEAGUE OF CITIES

ON BEHALF OF

THE NATIONAL LEAGUE OF CITIES

and

THE UNITED STATES CONFERENCE OF MAYORS

Before the

SUBCOMMITTEE ON EMPLOYMENT, POVERTY

& MIGRATORY LABOR

Of The

SENATE COMMITTEE ON HUMAN RESOURCES

April 21, 1977

1620 Eye Street, N.W., Washington D.C. 20008 / 202-293-7300

Mr. Chairman, Members of the Committee; I am Phyllis Lamphere, Seattle City Council Member and President of the National League of Cities. I am here today, with my colleague Mayor Gibson, to testify on behalf of the cities on the Comprehensive Employment and Training Act.

To avoid redundancy and to insure that city concerns about all employment programs are expressed before this body, we are each dealing with different aspects of these programs. My statement will focus on an area of major concern to local elected officials, namely, public service employment programs; and secondly to comment on the Administration's proposed amendments to the basic CETA law. I want to assure the Committee that this does not preclude either of us dealing with any or all of the questions at issue.

First, Mr. Chairman, with your permission, I would like to submit for the record, the National League of Cities' policy statement on employment issues adopted at our recent annual meeting. Very briefly, our policy statement recognizes the goal of full employment and job opportunities for all as the first priority of this nation. Achievement of this objective can be accomplished only by developing a system of cohesive economic policies involving a partnership of all three levels of government and the private sector. Most immediately, we recommend

a re-alignment of federal expenditures which would target on areas of high unemployment..., and a re-examination of current federal regulatory and tax-

ing policies that discriminate against inner cities and other areas of high unemployment.

City officials regard CETA as an integral part of a cohesive strategy to attain full employment, including use of the CETA system as a tool for providing employment to persons receiving income support payments who are able to work.

This Committee is well aware of the national economic conditions which precluded a smooth start-up of this major employment program. However, despite the initial difficulties, CETA is a significant step in the direction of attaining full employment and should be re-enacted and strengthened by providing:

- forward funding in advance of the operating program year;
- greater decentralization and less regulation by DOL;
- a larger role for local prime sponsors in setting local employment goals;
- greater local flexibility to target funds according to local needs;
- the development and transfer of more sophisticated techniques in predicting local labor market trends and in managing local employment and training programs to increase local government capacity to provide more effective job training;
- inclusion of additional resources to provide training and start-up employment opportunities to young people, including those who are reaching their mid- and late twenties without ever having held a job;

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- the pooling of monies from social insurance and income support programs with CETA monies to provide increased training and employment for those who must accept appropriate and available work;
- requirements for strengthened inter-relationships with vocational education programs;
- greater flexibility for establishing linkages under the CETA program with the private sector; and
- the development of more accurate unemployment statistics to insure funding commensurate with actual unemployment conditions and realistic employment planning.

On the issue of public service employment: Congress and the Administration appear to be close to doubling the existing public service jobs program, with further increases anticipated in the next fiscal year. We applaud this initiative but are nevertheless concerned.

Over the past two years, there has been much criticism of the effectiveness of cities in operating the public service employment program. We stand accused of using a federal program designed to deal with the problems of the unemployed as a program to bail out the cities. That this impression has stood unchallenged so long means that we have failed to explain adequately what has been happening and why.

The impact of the economic recession of the last several years

was felt most keenly at the local level because cities have the narrowest economic base. There is simply less room to make adjustments in the public sector at the local level than there is anywhere else. Faced with increasing unemployment and subsequent losses of local revenue, a large number of municipal officials -- who in many cases are prohibited by law from deficit spending -- were forced to impose hiring freezes or for the first time to lay-off public employees. The demand for the services provided by these former employees does not leave with them and CETA participants have been moved into some of these positions. The need to provide essential services, such as police and fire protection and trash collection, cannot be deferred until the economy improves. If using CETA funds to provide services which would not otherwise be provided by hiring individuals who would otherwise be unemployed is "substitution," we are guilty as charged. In our view, that is not substitution -- it accomplishes the objective of the program by employing the unemployed and it allows cities to provide essential services to the community that would not otherwise be provided.

We have serious reservations about recent studies on the PSE programs. GAO's recent report was conducted the first six months that Title VI was operative, released two years later and perceived as the current situation. As you well know, rules and regulations were developmental, conflicting directives were being issued by DoL and local governments were infused with massive dollars to be spent immediately: hardly a period to review program effectiveness objectively.

Charles Killingsworth, Professor of economics, labor and industrial relations at Michigan State University said this of public service employment studies:

...none of the studies relied upon is based on direct observation of the PSE program. All of them are largely theoretical analyses of state and local expenditure patterns under other kinds of federal grant programs, and the authors assume that the behavior of state and local governments will be the same under the PSE program...

Despite...obvious weaknesses, these studies are frequently cited as indisputable fact--which is surely a disservice to rational discussion of an important issue in public policy.

We would be pleased to work with Congress and the GAO to develop a more rational inquiry into program operations. If there are problems with these programs, we are as interested in knowing about and rectifying them as is any one else and would like to participate in the discussion and evaluation of this vital policy question.

The most fundamental issue with regard to PSE which has led to the controversy, is the uncertainty over its purpose -- as stated in the law, as perceived by federal policy makers, and as actually implemented. It is viewed as a panacea for solving a multitude of problems related to employment and to the economy, for attacking structural unemployment and for reaching special target groups. It is viewed as transitional employment with the participants eventually moving into unsubsidized jobs. And it is viewed as a means of pumping money into the system and thereby stimulating the economy.

These goals are inconsistent. Overcoming structural unemployment cannot be done quickly. The persons affected have poor or no attachment to the labor market. They need job development services, labor market orientation services, and they need experience in a working environment.

The participants in the program differ greatly, according to their situation prior to entering public service employment. The welfare recipient, one of the targets of the program, has all the problems related to lack of job skills I have just described. The young adult, who may never have held a job, may have social problems as well, which require a different kind of service. And then there are persons who have been unemployed a relatively short period of time, who have a history of stable employment, and whose employer may have been affected adversely by the recession. That person is job ready.

If local governments are under pressure to increase the number of persons enrolled in public service employment, they are likely to choose a larger number of job ready persons first. Integrating the other groups takes longer and costs more money, because of the additional services needed.

In periods of high unemployment, we must not have false expectations with regard to the results of public service employment. If the primary goal is to pump the economy, then cities must place job ready persons, to a large degree, in the slots. The ongoing

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program must plan for integrating the structurally unemployed, including welfare recipients, into the permanent CETA program. That program would be increased through projects or structured programs providing a transition from public service employment as the unemployment rate declines.

As to the Administration's proposed amendments to the basic CETA law, it was initially our expectation that Congress would adopt a simple one year extension and seek no substantive amendments to the basic legislative structure at this time. Our experience with the CETA program has been overall satisfactory. We are quite concerned that at this late date, there will be attempts to initiate several "minor" changes. We are concerned with both the strategy of "just a few amendments" as well as with the substance of the proposals. It is our thought that once the door to amending the legislation is opened, there will be no end to the various amendments proposed, with a consequent delay in re-enactment. Those that will suffer most from a failure to extend CETA will of course be the unemployed -- those who can least afford delay in receiving assistance.

We are also quite concerned with the substance of the proposed changes. As you well know, the previous administration, through regulations, attempted to impose a mandatory percentage requirement in hiring veterans. While this requirement was feasible in some jurisdictions, it was not in others. The outcome in those jurisdictions which were unable to meet the quota -- because those who qual-

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ified did not reside in those communities -- was that the entire program came to a grinding halt. This scarcely meets the intent of the legislation, nor does it serve the unemployed well. We realize that the Administration's language does not propose any percentages -- but they are talking 35 percent and that is the logical next step, a step we vigorously oppose. Unless there is clear legislative language restricting the Department of Labor from imposing mandatory national quotas, we cannot support this amendment.

We are alarmed at the Administration's proposal to repeal the 20 percent requirement in Titles III and IV. The intent of this suggested change appears to us to bode ill for the future of employment programs operated at the local level -- programs currently based on local understanding of local problems and needs. What we see is an attempt to erode the block grant concept and to re-categorize employment programs. This approach has been tried and found wanting, and we see little point in returning to a discredited past.

Thank you Mr. Chairman for the opportunity to present our views. If there are any questions, we would be pleased to respond.



Chapter 4 Employment and Income Security

4.000 FULL EMPLOYMENT--A NATIONAL GOAL

Full employment should be the goal of the federal, state, and local governments, and of the private sector. In this country, a person's place in the work force not only provides economic rewards but also status, dignity, and respect. The nation's economic and fiscal policies should be directed toward the achievement of full employment which will provide jobs for all those who are able to work. Such policies should contain economic incentives to encourage persons to seek work and should eliminate disincentives to a person for seeking work and should seek to eliminate programs which encourage individual dependency by failing to provide opportunities for employment. For those individuals and families who are aged or disabled, or for whom work is inappropriate or unavailable, the federal government should provide adequate levels of social insurance or income support.

4.100 EMPLOYMENT GOALS

The goal of full employment and job opportunities for all persons should be the first priority of the nation. Achieving a high level of employment would contribute to the desired quality of life of each of the residents of our cities. Equally important would be the positive effects of a full employment labor market in our effort to solve the major problems in our cities--deterioration of housing, rising crime and delinquency rates, disintegration of families, the inequality between races and sexes, poverty, and out-migration from the inner city, and the deficiency of resources. Increasing work opportunities would improve the urban environment and contribute to the revitalization of our nation's cities.

The achievement of such a goal will be realized through cohesive economic policies of our economic system--the partnership of private enterprise and government. To the degree that such a partnership cannot meet the goal of full employment, the federal government should create additional jobs. Those jobs should be created through utilization of existing employment and training systems at the state and local levels.

Achieving full employment and maintaining a balanced economy are not incompatible goals. Every policy of our federal government must be carefully analyzed to determine its effect on employment, in each sector of the economy and in each region

of the country. If economic growth is to be balanced and our cities strengthened then greater attention must be directed toward the effects of the policies and expenditures of all federal agencies on employment and urban fiscal stability.

4.101 PROBLEMS OF UNEMPLOYMENT

The persistent and high rate of unemployment has deprived large numbers of persons in our nation from achieving the status, dignity, and economic rewards which result from employment. The same policies which have contributed to high rates of unemployment have resulted also in deterioration of city tax bases and, in addition, have placed severe fiscal and social pressures on our nation's cities. Some of the emergency measures introduced to counteract the effects of the policy of high unemployment have resulted in the distortion of the programs to which they were attached, for example, the enactment of the Unemployment Compensation extended and supplementary benefits, which partially converted the program from an insurance program to an income support program.

The problems of unemployment which must be addressed in revised and revitalized economic and fiscal policies include:

- A. The continued, high rate of unemployment which is not expected to decrease below 7.5 percent in 1976 and below 7.0 in 1977.
- B. The intolerably high rates of unemployment among minorities and the youth. The jobless rate for white workers in July, 1976 was 7.1 percent but the Black workers jobless rate was 13.6 percent, up 2.9 percent from June. The teenage Black unemployment rate rose to 14.1 percent in August, 1976; the overall rate for teenagers moved up from 18.1 to 19.7 percent in August, 1976.
- C. The misguided policy that high levels of unemployment are necessary to combat inflation.
- D. The lack of coordination of economic and fiscal planning among federal departments.
- E. The lack of overall strategy and cohesive approach which would consider the effects of federal policies on employment including special attention to effects on regions, on cities, and on special groups within the population.
- F. The lack of an overall review of regulatory policies of the federal agencies to determine their effects on public and private jobs creation activities.
- G. The changes in demand for certain job skills brought about by changes in technology in industry which has resulted in a decreased need for semi-skilled workers.

4.102 POLICIES FOR ACTION

A. Broad National Policies

Our nation cannot afford a prolonged period of economic stagnation with high levels of unemployment. Therefore, the NLC supports the development of an employment, social insurance, and income support system which would:

1. Use the Economic Report of the President and the President's Employment Report as the major economic policy plan of the nation rather than administration public relations or discussion publications. The Economic Report should be a companion piece to the U.S. Budget and should detail the recommendations for the policy options to be included in the Budget, and for all other federal agencies and activities. In particular, the Economic Report should assess the effects on employment of the multiple policies of all federal agencies. Such recommendations, along with those developed through the new Congressional budget process, should be openly debated and the effects on the labor market clearly identified;
2. Effectively link economic and fiscal planning for all federal agencies directed toward the goal of achieving full employment. Such a linkage would require the development of economic and fiscal policies which would direct the actions of all federal agencies and assure that the total impact on the level of employment will be assessed;
3. Consider carefully the development and implications of the U.S. Budget on unemployment and the goal of full employment. This document, which represents perhaps the single most complete description of total national policy, is developed piecemeal and without adequate participation by representatives of local government or adequate consideration of its economic implications;
4. Equalize to a greater degree the economic growth in the country. The impact of recent federal policies has contributed to a relatively poor growth performance in some areas which in turn has resulted in the deterioration of cities and rising levels of unemployment. Federal policies also have encouraged the relocation of jobs from central cities to suburban areas; and
5. Evaluate federal policies in non-employment areas and correct those policies which have negatively affected employment in cities; for example, federal policies that have led to a movement of industries from older cities, such as the use of investment tax credits which affects the level of economic activity by providing incentives to faster growing industries and by discriminating against older, slower growing areas.

B. National Policies For Action Directly Affecting Cities

Achieving full employment and a balanced economic growth include many factors. Anti-recession and job creation programs have many objectives; therefore, no single program can be expected to effectively achieve all of the needed results. A combination of programs and strategies is needed to increase job opportunities in cities and in the nation. The federal government should provide a variety of

forms of financial assistance to local government and fiscal incentives to local business investment in order to achieve the most immediate stimulation of additional economic growth and reduction of the level of unemployment in our cities. These would include:

1. A re-alignment of federal expenditures which would target on areas of high unemployment and income inadequacy; and
2. A re-examination of current federal regulatory and taxing policies that discriminate against inner cities and other areas of high unemployment.

In any national full employment legislation there should be provisions for a local role in national planning and the development of local full employment and implementation plans. A consortium of the levels of government should participate in the development of the plans.

Any local full employment planning must involve the private sector. The elements of national economic and fiscal policy which affect local businesses must be supportive and compatible with job creation programs administered by local governments. The federal government through agencies which compile unemployment and economic statistics must improve the relevancy of data collected on local labor markets; and should provide complete, current and accurate labor market data through systems that are the most cost efficient, and in a timely manner as required by law. Local governments should have the authority and flexibility to conduct and coordinate economic development planning with full employment planning. This would include where not inconsistent with the national plan for full employment, the utilization of such measures as industrial revenue bonds, tax abatements, urban renewal and port authority powers, industrial parks, land banks, and direct short-term loans to businesses.

Federal housing policies should encourage neighborhood preservation and revitalization and should have companion programs to support the renewal of neighborhood commercial districts which can compete and be compatible with neighborhood shopping centers, thus providing central cities with a variety of employment opportunities.

Any national or local full employment plan must provide supplementary job opportunities for those unable to find employment in the private sector. Such programs, supported by federal funds, should be tied to levels of unemployment at both the national and local levels. These programs should be structured to meet the needs of the long-term unemployed, the disadvantaged, and those who are unemployed as a result of temporary economic downturns. Incentives should be built into the system to encourage those able to work, to continue to seek work, or remain at work, rather than seeking income support.

The mix of programs which provide training, job support, and employment opportunities for the underemployed should be determined and planned at the local level. Local governments should require maximum flexibility under such programs

RE:
- countercyclical anti-recessionary aid;

- public works projects;
- public service employment; and
- programs targeted at special groups such as youth.

C. Policies For Action Related To CETA

The Comprehensive Employment and Training Act (CETA) should be strengthened and renewed. This act was implemented initially at the beginning of the worst economic depression since World War II. In an effort to respond to rapidly escalating unemployment, the measure was altered and encumbered with ever changing directives and provisions by both the Department of Labor as well as the Congress. Initiated in a period of accelerating central city decline, accompanied by unprecedented layoffs in the public sector, the purposes and intent of the Act was changed and subsumed in desperate attempts to minimize unacceptable hardships at the local level and to respond as best as possible to the needs of all the unemployed in many local communities.

While national and local economic conditions precluded a smooth start-up for CETA, the program was and remains of vital importance to the nation's unemployed and underemployed. Following three years of operation, CETA has proven to be an effective instrument for responding to local unemployment conditions and is a substantial improvement over inflexible categorical grants. The concept of prime sponsorship has worked well and is a system which should be supported and built upon. As part of a strategy for achieving full employment, CETA should be re-enacted and strengthened by providing:

1. Forward funding in advance of the operating program year;
2. Greater decentralization and less regulation by DOL;
3. Larger role for local prime sponsors in setting local employment goals;
4. Greater local flexibility to target funds according to local needs;
5. Greater technical assistance to local governments to improve their capacity to predict local labor market trends and to improve their capacity to provide meaningful job training;
6. Inclusion of additional resources to provide training and start-up employment opportunities to young people who are reaching their mid- and late-twenties without ever having held a job;
7. The pooling of monies from social insurance and income support programs with CETA monies to provide increased training and employment for those who must accept appropriate and available work;
8. Requirements for strengthened inter-relationships with vocational education programs;
9. Greater flexibility for establishing linkages to the private sector; and

10. The development of accurate unemployment statistics to insure funding commensurate with actual unemployment conditions and realistic employment planning.

In addition, countercyclical and other employment-related programs should be required to coordinate planning with prime sponsors to assure greater coordination of programs geared to providing employment opportunities and to minimize duplication of administrative functions.

4.200 SOCIAL INSURANCE GOALS

Social insurance programs should be maintained for those persons who have had a close attachment to the labor market for an extended period of time. The purpose of these programs is the replacement of a portion of income which is no longer available because of retirement, disability, or temporary unemployment. Benefits authorized under the social insurance programs should be related to earnings and length of covered employment. Income support supplements should be available for those for whom benefits are inadequate and who have no other sources of income.

4.201 SOCIAL INSURANCE SYSTEM PROBLEMS

A. Social Security

A major segment of the American population relies on the Social Security system as a base of income during retirement years or in the event of disability. More than 32 million people receive social security cash benefits totalling \$6 billion per month. About 104 million Americans are covered by Social Security.

Confidence in the integrity of the Social Security system has been shaken by projections of short and long term deficits in the trust funds. These deficits are due in part to the situation in the past two years in which both inflation and high unemployment were occurring.

In addition, over the years the Social Security law has been amended on numerous occasions. The result has been a change in the basic concept and blurring of the purposes of the program from one which based benefits primarily on earnings and length of attachment to the labor market to one which included means tested features as well. Under one of the changes, the benefit schedule was weighted in favor of low-income workers by providing them with greater benefits relative to their earnings and contributions, than higher income workers. The current replacement ratio for single workers retiring at age 64 ranges between 62 percent for someone who earned \$3,400 a year to 31 percent for someone who earned \$14,000.

The inequity in the system is demonstrated in a number of other provisions of the program including:

1. While all workers with a given wage pay the same social security tax while working, a retired worker with no dependents receives only his own benefit, while a retiree with an aged wife receives an additional 50 percent of his benefit, whether the wife has ever contributed to the system herself or not;

2. When a married couple both contribute to the system, upon retirement they receive the same benefit as a married man with wife who did not contribute;
3. Benefits are paid for dependent children of retired and deceased workers without the requirement for extra contributions to the system;
4. Under present law a husband must prove dependency in order to qualify for the same benefit for himself and any dependents that a wife can get automatically;
5. Benefits are payable to any worker with the bare minimum required quarters of coverage and regardless of how low his earnings were. That minimum payment has been consistently increased by Congress over the years;
6. Disability claims have risen at a far greater rate than for other benefits. The payments for disabled persons are relatively higher because of the consideration of wives and dependents in determining the benefit level. The payments from the trust funds for this group will exceed the income by over \$4.3 billion this year.
7. Elderly persons up to the age of 72 who become eligible for social security and who also work are penalized by a reduction in their check by 50¢ for every dollar of earnings over \$2,760. The earnings limit increases according to inflation.

8. Unemployment Insurance

The Unemployment Insurance program was enacted during the depression of the 1930's as part of the Social Security Act to provide workers with sufficient income to meet non-deferrable expenses during periods of temporary unemployment and to help stabilize the economy during periods of economic decline. During the intervening 40 years, the program has been altered through the enactment of temporary programs. These changes have distorted the original purposes of the program and have authorized payments far beyond periods of temporary unemployment. In addition, the fiscal soundness of the federal and state trust funds is threatened by the emphasis on the payment of extended benefits rather than on job creation.

4.202 POLICIES FOR ACTION

A. Social Security

The original purpose of the Social Security system enacted in 1935, should be restored through legislative change. It should be returned to an insurance program financed by employer and employee contributions into a trust fund that would provide wage-related benefits to workers as a matter of right. It should be stressed that the program was not designed to provide the bulk of retirement income, but only a "floor of protection" which would be supplemented by the persons' private savings and pensions.

If other resources are not available then supplementary benefits should be available from an income support system.

When an income support system is in place, Social Security benefits should be directly related to contributions. Any person who has been employed and who retires should receive benefits determined on the basis of contributions, regardless of family status. There should be no penalty or reduction in benefits as a result of earnings. There should be no work requirement associated with the program.

B. Unemployment Insurance

The unemployment insurance program should be returned to its original purpose of a partial wage replacement program for persons temporarily unemployed. Benefits should be paid only for the first 13 weeks of unemployment. Following that period, the individual's attachment to the previous employer should be assumed no longer to be strong. The individual, at the end of 13 weeks, should accept alternate employment and training which is appropriate and available, or, if neither is available, should qualify for income support with its associated work or training requirements. The reduction in the duration of time that an individual can receive unemployment insurance benefits is dependent upon the development of the integrated employment, social insurance, and income support system.

4.100 INCOME SUPPORT GOALS

All persons need a basic level of income to live a decent life. Our society has the ability and obligation to provide all citizens with the resources to meet basic needs. If that income is not available through employment or through social insurance programs, this should be accomplished through an income support program which guarantees to all segments of the population a basic level of purchasing power. The federal government is responsible for providing this income support. The federal government should assume responsibility for providing income support to meet basic needs. Public employment should be created and made available for those persons receiving cash assistance who are willing and able to work and who are unable to find work in the private sector. Persons who are able to work and for whom reasonable work is available, but who refuse to accept such work, should not receive income support so long as they refuse to accept such available employment.

4.101 INCOME SUPPORT SYSTEM PROBLEMS

The current income support system--including the aid to families with dependent children program (AFDC), the supplemental security income program, food stamps, housing for low income individuals, and medicaid, is a series of individual programs, unrelated to each other and with needlessly complicated operating procedures.

The existing programs with rules differing state by state tend to produce inequities and serve to discriminate against certain classes of individuals and families.

Because of the complexities of the programs, the amount of assistance paid in error has increased and threatens to place unreasonable economic burdens on local governments.

While most of the programs require recipients to work, an adequate number of jobs do not exist and the effort becomes an expensive administrative burden.

The pyramiding benefits available to recipients of the various assistance programs may provide a disincentive to work because of loss of benefits. On the other hand, the amount of benefits available to assistance recipients, which are not available to others with substantially like incomes, represents a severe inequity.

4.302 POLICIES FOR ACTION

A simplified national income support program should be developed as part of an integrated employment and income security system. The federal government should finance, administer, and set standards for all income support programs which allow equity and comparability across each of the programs. All cash benefit programs should be included in a basic federal level of support. In order to prevent major disruption in the system and to provide a smoother administrative transition, such changes should be phased in over a period of time. State supplementation could be provided on an optional basis to compensate for regional differences in basic needs and for special needs.

Criteria for program eligibility and benefits should be simple, objective, and clearly stated to achieve equal treatment of those with comparable needs. The administrative structure should be designed to reduce the stigma of welfare.

Comparable needs should be met by a basic level of support provided on the basis of a family unit. Income and resources should be considered uniformly and equally regardless of the source; payments should not be provided on an individually-determined basis. Distinctions in means-tested programs that discriminate against intact families, childless couples, and single adults should be eliminated.

Primary reliance should be placed upon direct cash payments determined on an income adequacy measurement to meet the basic consumption needs of low income persons. The use of in-kind benefits such as food stamps and payments through third parties including housing assistance should be gradually phased out to achieve the maximum degree of equity among persons and families with similar income and circumstances.

Only a minimum of those programs which cannot be administered effectively at the federal level should be maintained outside the income support system.

Social services would be provided by states and localities to support the integrated employment system. Such services should be provided under a plan which involves local employment staff to assure that the necessary supportive services are available for those persons who are in training or in employment.

A realistic and simple method of considering income in the computation of federal benefits must be developed which allows equal treatment among all low income individuals and families. A reasonable disregard of earned income above the basic

payment level must be established to encourage recipients to work and to lessen the effects of the transition from public income support to total self-support. Such a system assumes that the various benefit programs are integrated in order that the transition from public income support to self-support is gradual and not discriminatory.

Those persons receiving income support who are able to work should accept appropriate and available work. The federal government has an obligation to provide employment opportunities which are meaningful and which take advantage of the employment skills of the individual. The jobs which should be socially useful should be created through the local CETA mechanisms. The work requirements of the income support program should not be used in a punitive fashion. Those persons who participate in a training or employment program would continue to receive income support payments. Any payments would be considered taxable income.

The uniform payments would be provided by the federal government with full financing. Any supplementary benefits would be financed by the states. No new federal system should be created; existing federal and state structures which can be linked effectively with CETA at the local level should be utilized. There should be appropriate involvement of cities according to the operational structure of the state.

Senator NELSON. Thank you very much for your very thoughtful testimony.

Senator WILLIAMS, did you have some questions?

Senator WILLIAMS. Just briefly I wanted to express my appreciation for the statements of two individuals at the pinnacle of municipal government, two presidents. You are peers and the Conference of Mayors and League of Cities are joined in action on most things. What is the present state of the alliance between the Mayors Conference and the League of Cities?

Mr. GIBSON. Basically, Senator, the U.S. Conference of Mayors is an organization of cities. In that organization membership is restricted to cities of 30,000 population or more. The League of Cities is the companion organization. We share offices at 1620 I Street in Washington. We have joint efforts on staff projects, consulting projects and we share staff in a number of other areas.

My own personal feeling is that we support each other across the board. There is very little difference in the policies between the two organizations. The primary difference is that 30,000 limit on the U.S. Conference of Mayors membership really makes it an organization of larger cities and the league, of course—The city of Newark, as you know, is a member of both organizations. The larger cities are members of both organizations.

Ms. LAMPHIER. Mayor Gibson neglected to point out one other difference, and that is that city council people also belong to the National League of Cities, which is the reason why I was able to become president of that organization. The national league is an organization of elected officials of over 15,000 cities across the country, and also, our membership includes State leagues of cities so that we have a network out to the largest and the smallest across the Nation.

As Mayor Gibson said, we do have joint research projects and we have joint offices. We have a joint corporation and we cooperate and supplement each other in every possible way.

Senator WILLIAMS. What we have had here then, Mr. Chairman, I would say is representative statements from all the municipalities that have membership and together, I would imagine most municipalities in the country in membership in one or the other of the organizations.

Ms. LAMPHIER. That is correct.

Senator WILLIAMS. That is the broadest kind of representative testimony it seems to me. I just want to make the observation—and I missed the first and Mayor Gibson, of course, is from New Jersey—I reviewed the beginning part of the statement that I didn't hear. I heard the rest of the statement. It is most constructive and a lot for us to think about, it seems to me, Senator Nelson.

I believe that our final product will be greatly improved by your most knowledgeable observations and suggestions. There are just one or two things that I would like to amplify on for a moment.

The amount of money that is included here, Mayor Gibson, you are so correct, this committee in our report to the Budget Committee did include the figure \$2.5 billion. The budget report, however, will go to the Senate with the administration figure of \$1.5 billion.

I did inquire yesterday of Secretary Marshall if it would be cause for great concern if we should be able to improve that figure in the

Senate and I got the impression from where he sits it would not be a matter of great concern. We don't hear that veto business around here like we used to.

So, I think we will consider the practicalities of increasing the figure. There are just two points I would like to make with you, Mayor Gibson; the concern about part A and the allocation of funds to federally administered rurally focused employment programs and the concern also that the work sites would be near participants' homes.

I gather there is an underlying apprehension that that means that this is less oriented to the city unemployed youth and more to the rurally unemployed.

Mr. GIBSON. Yes.

Senator WILLIAMS. I believe the provision in here that addresses itself to an attempt to locate participants as near as practical to home addresses itself to the situation we have, high unemployment in the Northeast, remembering that the grandfather of this program, CCC, was a national park program in good measure, although they did get into State parks, like the Adirondack Mountains, but it was still far from the cities.

This was designed together with that phrasing, "as near as practical to home" together with a list of projects for employment to meet our needs in the Northeast. If you will look at the list of things under activities, so many of those activities are pretty close to our cities up in the Northeast, including erosion control and flood damage, even wildlife activities.

That list can be pretty close to our cities. Again, in our part of our country, in the Northeast. I am not too worried about that and I think it was put in to make sure that we knew that this was not just a Rocky Mountain conservation employment program, but it is to be national, including, of course, our densely populated Northeast.

The other part you expressed some disagreement with is one I want to mention. You had many you disagreed with. The Davis-Bacon application, part D. And I think, Ms. Lamphere, you talked about—your word was not displacement but substitution.

I can sense a problem here. I know this has been developed by the administration with those who represent adult workers. We will have a lot of thinking to do on this one, I believe. We want to insure against substitution. We want to hit our target. It would seem to me if it happens that the public works bill antedates this, and it looks probable right now—they are in conference and it looks as though they are going to have that ironed out.

We have two targets really that we are meeting here, this bill for the youth unemployed and public works for the adult unemployed. It might adjust to the point where we won't have a major problem there and we will be able to make sure that we do reach the target that we intended to with youth unemployment.

Certainly, we protected the basic here with a minimum wage and we are not going to get caught in a trap with a subminimum for the youth, which we do run into under the minimum wage bill where they suggest a subminimum for youth to encourage employment. And that is where we get into the problem of substitution.

I don't have anything further, Mr. Chairman, except to thank the "presidents" for this excellent presentation.

Senator NELSON. Mayor Gibson, on your concern about the location of programs for city youth, the language does, on page 8, authorize the Secretaries of the Interior and Agriculture to make grants to enter into agreements with State and local officials.

And in the testimony yesterday, I think the Secretary of Labor was anticipating that under the program youth would work in city parks and that sort of thing. I have asked the staff to summarize the important points made by each witness so that when we get to markup we will be able to make reference to them.

It may be that that language should be strengthened, but I understand it to be the intent, as Senator Williams said, that youth in the urban areas have an opportunity for employment and that it not be a rural, western park program because there are also lots of national forest, national parks, State parks, city parks, county forests throughout the whole East and every city, of course, has its park program. We will address ourselves to that because it is the intent, to be sure, that there is equal or fair treatment for opportunity for youth in the city areas where the unemployment problem is the largest and the most difficult.

Senator Javits?

Senator JAVITS. Thank you.

I would like to thank the witnesses very much and to apologize for having been delayed but we have been wrestling with the problem of what to do about the people's income taxes. I have just a few questions.

As to the amount of money which you would like to see involved of \$1.5 billion, the \$2.5 billion change in the budget request by the Human Resources Committee was attributable to an amendment which I proposed and which I had joined in with Senator Williams.

We thought when we questioned yesterday, the Government witnesses, that the billion dollars which is in the economic stimulus appropriation now, if devoted to this particular use would be the most immediate way in which we could get action because that is already in an appropriation phase, whereas, this program has not even yet been authorized.

Would you agree, therefore—and we are not going to have you execute it as a policy, that is our job. But would you agree, therefore, if we got a \$2.5 billion pool so that we drew partially from the economic stimulus appropriation and partially from this measure, which is before us—the objective is a \$2.5 billion pool under the general conditions which we are going to lay out in this bill rather than the fact that we specifically have to have it in this bill?

Mr. GIBSON. For myself, Senator, I would say yes, I would agree with that approach.

Senator JAVITS. In other words, we are after the substance.

Mr. GIBSON. Yes.

Senator JAVITS. The reason I say that is because I would like to understand our situation. We have agreed with the administration on a bill. Naturally, it is not the optimum bill we want or the optimum bill they want. That doesn't mean that we both can't concur on changes, but it will take a concurrence of both. That is why I make this point and I think it is very important because it so happens that these two colleagues are very operative forces in bringing about that agreement and I would personally hope that it would be clear on the

record that anything that we say on our part, we are not trying to change our deal with the administration.

But, the administration, I think, is very constructive on this and when witnesses like yourselves who have weighed and know the subject tell us, we are convinced and we are going to try to convince them. But I just wanted you to know our situation. That bears on my next question.

Again, we are trying to raise that percentage of set-aside to 75 percent. I notice you said 80 percent. Seventy-five is all right, too?

Mr. GIBSON. We'll take it.

[Laughter.]

Senator JAVITS. Now, similarly as to the schoolwork transition, again, Senator Humphrey and I reserved our rights under the agreement we have with our other colleagues on the Youth bill to press that concept for a 15 percent set-aside. Again, I would hope you could concur with us, although the set-aside is not as great as you might like we don't think we can do any better. But we are pressing that and I hope you will find it possible to support that amendment.

The record doesn't show when you shake your head.

Mr. GIBSON. I'm sorry.

Senator JAVITS. Your answer is yes?

Mr. GIBSON. Yes.

Senator JAVITS. Finally, I would like to emphasize that we are very cognizant of the private sector. Don't for a minute believe that we think that Government can do it all. We are very cognizant of the private sector and listened in this thing. By the time we get through with the bill we will make that crystal clear.

So, if there is any specific language which you think we ought to put in S. 1242 respecting the private sector, this is very much our own conviction, please let us have it. I am sure you will find only friends among those of us who are for this bill to crank in a private sector involvement and private sector cooperation.

I deprecate, and I believe my colleagues do, the diminution of involvement of the JOBS and other programs which came out of the private sector early in the game. It certainly would be my aim and I believe all our aims to not only bring that back but to materially increase it.

Other than that, I don't see anything here I wish to question you about except to endorse your own feeling about a total strategy as being required for youth. I do notice what you say about Davis-Bacon and that is a big problem. You know all the commutations and permutations, and you express it in "feed the child, starve the father." We will wrestle with that the best way we can. We are all members of the Labor Subcommittee and I think, on the whole, all very sympathetic to the unions, but we hope they will be sympathetic to youth's problems too.

Thank you very much.

Senator NELSON. Thank you, Senator Javits.

I thank you both very much for your very thoughtful and valuable testimony.

Our next witness will be Mr. John Klein, county executive, Suffolk County, N.Y., representing the National Association of Counties. Is Mr. Klein here?

Senator JAVITS. Mr. Chairman, I take great pleasure in introducing County Executive Klein of Suffolk County, N.Y., to the committee. I know him very well. I know his work very well, and if there is a new class in the United States of politician-technologists, politician-professionals, if you will, certainly Mr. Klein would deserve to be a charter member.

He is very gifted. Though he has to run for election and reelection like the rest of us, he has brought to his task a high degree of professionalism which almost puts it in a different category.

I couldn't think of a finer choice by the National Association of Counties than to have Mr. Klein as their spokesman.

STATEMENT OF JOHN V. N. KLEIN, COUNTY EXECUTIVE, SUFFOLK COUNTY, N.Y., REPRESENTING THE NATIONAL ASSOCIATION OF COUNTIES, ACCOMPANIED BY JON WEINTRAUB, LEGISLATIVE REPRESENTATIVE, NATIONAL ASSOCIATION OF COUNTIES

Mr. KLEIN. Thank you.

Senator NELSON. Your statement and the accompanying appendix will be printed in full in the record, Mr. Klein. You may present your statement however you desire.

Mr. KLEIN. Thank you, Mr. Chairman and my special thanks to Senator Javits for that very gracious introduction.

Mr. Chairman, members of the subcommittee, my name is John Klein and I am the county executive of Suffolk County, N.Y. I have chaired the Employment Policy Steering Committee of the National Association of Counties for 4 years and have served as a member of the CETA Title V National Commission for Manpower Policy since its inception in 1974.

I am also an active member of the Council for Northeast Economic Action. I am accompanied today by Jon Weintraub, a legislative representative with the National Association of Counties, the only national organization representing county government in the United States.

We are here today to offer our support for a new youth title within CETA. The NACO staff has commented on two earlier drafts of S. 1242 and has been an active participant in the review process. We strongly support the openness of the administration in seeking comments on the bill from county officials, mayors, and governors prior to submitting it to Congress and we urge the administration to continue this process when redrafting CETA and congratulate the administration for initiating this effort.

We applaud the administration for developing a new title of CETA targeted to youth instead of trying to develop programs under title III. However, NACO feels that this bill can be improved further. NACO's position on youth programs is stated in section 5.7 of the American County Platform. It reads:

"Special funds for jobs programs for young people should be provided annually under CETA.

"Prime sponsors should be allowed flexibility in providing programs for other needy youth in addition to economically disadvantaged youth."

While supportive of the general concepts in this bill, we would like to offer the following suggestions:

First, we would like to simplify client eligibility by limiting eligibility for all three parts to unemployed youth whose gross family income is below the BLS lower living standard budget. We feel this would allow prime sponsors to refer eligible youth to the program best designed to meet their needs.

This would achieve some targeting for parts A and B while simplifying the language in section 835(a)(2) in part C. We believe that the BLS lower living standard budget is a realistic income criterion for youth in urban city and county areas. CETA prime sponsors could further constrain eligibility through their normal planning council process, as many prime sponsors have done under titles I and II.

Second, we recommend that this subcommittee review the following general comments on parts A, B, and C:

Part A: We would like to explore some way of achieving equity in the expenditure of funds by State for this part given the varying distribution of acreage and differing conservation needs in Federal, State, county, and city park lands across the United States.

Legislative intent needs to be clarified as to the proportion of funds in part A to be devoted to residential versus nonresidential programs. Clear legislative intent must also be provided so that Federal, State, and local conservation needs are reviewed equitably by the Departments of the Interior and Agriculture.

As to part B, we only need to recall the problems with the recent public works funds to reject the grant application process currently envisioned in part B. We do not need to make part B a "full employment act" for consultants.

We would prefer a direct allocation formula based on need to all prime sponsors who would then review project applications through the advisory council process. This bill enfranchises a new local official, the Secretary of Labor, who decides what projects should be funded in my county.

With all due respect, I would suggest that the citizens of Suffolk County did not elect Secretary Marshall as their county executive. I think that I have a better finger on the pulse of Suffolk County than the Secretary of Labor or his representative sitting in the regional office in New York.

Part C: We favor an allocation methodology which distributes 80 percent of the funds by formula with 20 percent remaining for the Secretary's discretion.

Third, the existing administrative definition of unemployed tends to exclude most students and juvenile offenders. We would like to see eligibility expanded to allow for the participation of in-school youth and youth attached to the criminal justice system.

Fourth, we object to the inclusion of Davis-Bacon and prevailing wage language for youth in section 851(j)(3) of part D. We suggest that the model established in categorical youth programs of "Federal, State or local minimum wage, whichever is the highest" be applied to all parts of this title. We find it absurd to do otherwise, especially with the projected increase in the minimum wage. We want to maximize the number of youth being served.

Fifth, we are puzzled by the maintenance of effort language in parts B and C as applied to title I. Enrollment figures for title I of CETA make it clear that prime sponsors place a very high priority on serving youth. During the period from July 1, 1975, to September 30, 1976, 57 percent of the more than two million individuals who received title I training services were under 22 years old.

The median age for all title I enrollees during that time was 21. Given this record, it is safe to assume that prime sponsors will continue to emphasize services to young people. The maintenance of effort language, however, would arbitrarily freeze the age distribution of title I enrollees and severely limit a prime sponsor's ability to address its changing employment and training needs comprehensively.

Sixth, we support the following amendment to part D (similar to section 717 of H.R. 6044):

"Earnings received by any youth under this title shall be disregarded in determining the eligibility for any other immediate family member who resides in the same household for the amounts of any benefits based on need under any Federal or federally assisted program."

Certainly, participation in a youth program should not prejudice the rights of other members of the youth's immediate family residing in the same household.

Seventh, the only mention of fringe benefits for participating youth incorporates section 703(6) by reference in section 4 of S. 1242. This would limit benefits to workers' compensation. We would recommend that FICA also be included as a benefit. Previous categorical youth programs limited benefits to workers' compensation and FICA, and we endorse that limitation.

Eighth, we would like to see clarification of intent in parts B and C to allow use of some funds for "seed" money for youth economic development projects similar to what occurred under OEO's youth development program in the late 1960's.

Ninth, we would like to see more attention paid to the school-to-work transition and to youth attached to the criminal justice system. As a postscript, I would like to add a 10th item. There should be significant attention placed on the private sector and on its relationship and potential for the utilization of apprenticeship training.

We are extremely supportive of the thrust of this legislation and hope that this subcommittee will carefully review our suggestions when working up this legislation.

In support of our suggestions, we would like to review the Bureau of Labor Statistics 1976 annual averages for the labor force status of teenagers by sex, race, and type of area [the complete report is enclosed as appendix A].

We note that the unemployment rate for black male youth in central cities is 41.5 percent, while in the suburbs it is 40 percent. The numbers of unemployed black youth in central cities versus suburbs and nonmetropolitan areas is in a ratio of 1.4:1.

We present these brief examples only to reinforce our desire to have funds for this title distributed by formulas based on need. Too often well meaning Federal officials make decisions that are not reflective of the most current data available. Youth programs cannot

be equitably targeted without a formula distribution to prime sponsors based on need.

Moving back to our concern for an adequate share for local government conservation efforts in part A, Suffolk County has been operating a youth conservation corps program effectively within its CETA umbrella since 1974. Last year, we served 474 youth in a YCC program, with 66 percent of these youth qualifying as economically disadvantaged. I have taken the liberty of attaching as appendix B a detailed description of that Suffolk County, N.Y., program.

The YCC program has been well received by the citizens of Suffolk County. In 1976, six Suffolk townships contributed \$90,000 to increase the size of our program. In 1977, eight Suffolk townships plan to contribute \$105,000 to augment our YCC program.

The local need and commitment to this program is clear. We are ready and have the experience to institute a year-round residential and nonresidential program. However, we need assurances that adequate Federal funds under part A will be allocated to county governments to meet their conservation needs.

We would be remiss in our responsibility to the CETA system if we did not take this opportunity to point out some title VI implementation problems that are occurring as prime sponsors get ready to use the funds in H.R. 4876, the economic stimulus supplemental.

We raise these issues with the hope that the Senate and conference report accompanying H.R. 2992 could be used to clarify intent with regard to section 608(a) of Public Law 94-444 which defines client eligibility. The following cases are examples of the problems:

(1) An individual is unemployed for 6 weeks before realizing that he or she is eligible for UI. That individual then collects for 9 weeks and is told that he or she must stay on UI for another 6 weeks before he or she is eligible for a title VI job. We would hope that Congress did not intend for this game to be played on people.

(2) An individual is title VI ineligible although UI eligible because he or she is not collecting UI payments because of inadequate prior salary when interpreted by State UI law. Here is a needy individual who is not benefitting from UI, although eligible, and is excluded from a CETA title VI job because of the constraints of section 608(a).

(3) Many State UI laws require an individual who voluntarily leaves a job to wait 6 months before receiving UI. Here is a class of people who by State law is UI eligible who have to wait 6 months plus 15 weeks receiving UI before being eligible for a title VI job.

(4) The public payments language, which is repeated in this youth bill, is being interpreted to include only Federal public payments, thereby not excluding and therefore, counting general local public assistance as part of income which disqualifies an individual from a title VI job.

(5) The following language in section 608(a)(2) puts the cart before the horse when it says: "exclusive of unemployment compensation and other public payments." It forces eligibility determination based on income the applicant cannot receive, unless he or she is enrolled. It also has the potential to cause some AFDC dependent applicants to be declared ineligible.

This is because, depending on the wages received, the AFDC benefits may be reduced rather than eliminated. Thus, an intake worker must project the potential CETA wage, the AFDC adjustment and annualize the result. These calculations which are complicated, can only be guess work.

NACO suggests that this section be interpreted in the conference report accompanying H.R. 2992 to mean: "Exclusive of unemployment compensation and all Federal, State, and local income-tested and/or needs tested public payments." This interpretation would result in eligibility determination and enrollment based on actual income other than public payments.

A further clarification could be that the appropriate members of AFDC families are automatically eligible for titles VI and VIII. Before concluding, Mr. Chairman and members of the subcommittee, in terms of CETA renewal, we would be remiss if we did not indicate our concern about the 4(e) section, which would eliminate the 20 percent maximum in title III allocations. We are against any waiver or repeal of section 4(e) of CETA.

We are also concerned about the emphasis on veterans' employment preferences which will negatively affect the employment of women within the CETA program.

With those remarks, Mr. Chairman, I would say that we appreciate this opportunity to testify before your subcommittee. We have attached as appendix C our detailed section-by-section suggestions on the bill, and Mr. Weintraub and I stand ready to answer any questions you may have.

[The prepared statement of Mr. Klein and appendix material follow:]

STATEMENT by



THE NATIONAL ASSOCIATION OF COUNTIES

1735 NEW YORK AVE., N.W., WASHINGTON, D.C. 20006 (202) 785-9577

STATEMENT OF
JOHN V.N. KLEIN
COUNTY EXECUTIVE
OF
SUFFOLK COUNTY, NEW YORK
ON BEHALF OF
THE NATIONAL ASSOCIATION OF COUNTIES
BEFORE
THE SENATE SUBCOMMITTEE
ON
EMPLOYMENT, POVERTY
AND
MIGRATORY LABOR

APRIL 21, 1977
WASHINGTON, D.C.

STATEMENT OF JOHN V.N. KLEIN, COUNTY EXECUTIVE, SUFFOLK COUNTY, NEW YORK
ON BEHALF OF THE NATIONAL ASSOCIATION OF COUNTIES*, BEFORE THE SENATE
SUBCOMMITTEE ON EMPLOYMENT, POVERTY AND MIGRATORY LABOR

MR. CHAIRMAN, MEMBERS OF THE SUBCOMMITTEE, MY NAME IS JOHN V.N. KLEIN, COUNTY EXECUTIVE OF SUFFOLK COUNTY, NEW YORK. I HAVE CHAIRED THE EMPLOYMENT POLICY STEERING COMMITTEE OF THE NATIONAL ASSOCIATION OF COUNTIES FOR FOUR YEARS AND HAVE SERVED AS A MEMBER OF THE CETA TITLE V NATIONAL COMMISSION FOR MANPOWER POLICY SINCE ITS INCEPTION. I AM ALSO AN ACTIVE MEMBER OF THE COUNCIL FOR NORTHEAST ECONOMIC ACTION. I AM ACCOMPANIED TODAY BY JON WEINTRAUB, A LEGISLATIVE REPRESENTATIVE WITH THE NATIONAL ASSOCIATION OF COUNTIES, THE ONLY NATIONAL ORGANIZATION REPRESENTING COUNTY GOVERNMENT IN THE UNITED STATES.

WE ARE HERE TODAY TO OFFER OUR SUPPORT FOR A NEW YOUTH TITLE WITHIN CETA. THE NACO STAFF HAS COMMENTED ON TWO EARLIER DRAFTS OF S. 1242 AND HAS BEEN AN ACTIVE PARTICIPANT IN THE REVIEW PROCESS. WE STRONGLY SUPPORT THE OPENNESS OF THE ADMINISTRATION IN SEEKING COMMENTS ON THE BILL FROM COUNTY OFFICIALS, MAYORS, AND GOVERNORS PRIOR TO SUBMITTING IT TO CONGRESS. WE URGE THE ADMINISTRATION TO CONTINUE THIS PROCESS WHEN REDRAFTING CETA AND CONGRATULATE THE ADMINISTRATION FOR INITIATING THIS EFFORT.

WE APPLAUD THE ADMINISTRATION FOR DEVELOPING A NEW TITLE OF CETA TARGETED TO YOUTH INSTEAD OF TRYING TO DEVELOP PROGRAMS UNDER TITLE III. HOWEVER, NACO FEELS THAT THIS BILL CAN BE IMPROVED FURTHER. NACO'S POSITION ON YOUTH PROGRAMS IS STATED IN SECTION 5.7 OF THE AMERICAN COUNTY PLATFORM:

*The National Association of Counties is the only national organization representing county government in the United States. Through its membership, urban, suburban and rural counties join together to build effective, responsive county government. The goals of the organization are: to improve county governments; to serve as the national spokesman for county governments; to act as a liaison between the nation's counties and other levels of government; and, to achieve public understanding of the role of counties in the federal system.

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"SPECIAL FUNDS FOR JOBS PROGRAMS FOR YOUNG PEOPLE SHOULD BE PROVIDED ANNUALLY UNDER CETA.

PRIME SPONSORS SHOULD BE ALLOWED FLEXIBILITY IN PROVIDING PROGRAMS FOR OTHER NEEDY YOUTH IN ADDITION TO ECONOMICALLY DISADVANTAGED YOUTH."

WHILE SUPPORTIVE OF THE GENERAL CONCEPTS IN THIS BILL WE WOULD LIKE TO OFFER THE FOLLOWING SUGGESTIONS:

1) WE WOULD LIKE TO SIMPLIFY CLIENT ELIGIBILITY BY LIMITING ELIGIBILITY FOR ALL THREE PARTS TO UNEMPLOYED YOUTH WHOSE GROSS FAMILY INCOME IS BELOW THE BLS LOWER LIVING STANDARD BUDGET. WE FEEL THIS WOULD ALSO ALLOW PRIME SPONSORS TO REFER ELIGIBLE YOUTH TO THE PROGRAM BEST DESIGNED TO MEET THEIR NEEDS. THIS WOULD ACHIEVE SOME TARGETING FOR PARTS A AND B WHILE SIMPLIFYING THE LANGUAGE IN SECTION 835(a)(2) IN PART C. WE BELIEVE THAT THE BLS LOWER LIVING STANDARD BUDGET IS A REALISTIC INCOME CRITERION FOR YOUTH IN URBAN CITY AND COUNTY AREAS. CETA PRIME SPONSORS COULD FURTHER CONSTRAIN ELIGIBILITY THROUGH THEIR NORMAL PLANNING COUNCIL PROCESS, AS MANY PRIME SPONSORS HAVE DONE UNDER TITLES I AND II.

2) WE RECOMMEND THAT THIS SUBCOMMITTEE REVIEW THE FOLLOWING GENERAL COMMENTS ON PARTS A, B, AND C:

PART 4: WE WOULD LIKE TO EXPLORE SOME WAY OF ACHIEVING EQUITY IN THE EXPENDITURE OF FUNDS BY STATE FOR THIS PART GIVEN THE VARYING DISTRIBUTION OF ACREAGE AND DIFFERING CONSERVATION NEEDS IN FEDERAL, STATE, COUNTY AND CITY PARK LANDS ACROSS THE UNITED STATES. LEGISLATIVE INTENT NEEDS TO BE CLARIFIED AS TO THE PROPORTION OF FUNDS IN PART A TO BE DEVOTED TO RESIDENTIAL VERSUS NON-RESIDENTIAL PROGRAMS. CLEAR LEGISLATIVE INTENT MUST ALSO BE PROVIDED SO THAT FEDERAL, STATE AND LOCAL CONSERVATION NEEDS ARE REVIEWED EQUITABLY BY THE DEPARTMENTS OF INTERIOR AND AGRICULTURE.

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PART B: WE ONLY NEED TO RECALL THE PROBLEMS WITH THE RECENT PUBLIC WORKS FUNDS TO REJECT THE GRANT APPLICATION PROCESS CURRENTLY ENVISIONED IN PART B. WE DO NOT NEED TO MAKE PART B A "FULL EMPLOYMENT ACT" FOR CONSULTANTS. WE WOULD PREFER A DIRECT ALLOCATION FORMULA BASED ON NEED TO ALL PRIME SPONSORS WHO WOULD THEN REVIEW PROJECT APPLICATIONS THROUGH THE ADVISORY COUNCIL PROCESS. THIS BILL ENFRANCHISES A NEW LOCAL OFFICIAL, THE SECRETARY OF LABOR, WHO DECIDES WHAT PROJECTS SHOULD BE FUNDED IN MY COUNTY. WITH ALL DUE RESPECT I WOULD SUGGEST THAT THE CITIZENS OF SUFFOLK COUNTY DID NOT ELECT RAY MARSHALL AS THEIR COUNTY EXECUTIVE. I THINK THAT I HAVE A BETTER FINGER ON THE PULSE OF SUFFOLK COUNTY THAN THE SECRETARY OF LABOR OR HIS REPRESENTATIVE SITTING IN THE REGIONAL OFFICE IN NEW YORK.

PART C: WE FAVOR AN ALLOCATION METHODOLOGY WHICH DISTRIBUTES 80% OF THE FUNDS BY FORMULA WITH 20% REMAINING FOR THE SECRETARY'S DISCRETION.

- 3) THE EXISTING ADMINISTRATIVE DEFINITION OF UNEMPLOYED TENDS TO EXCLUDE MOST STUDENTS AND JUVENILE OFFENDERS. WE WOULD LIKE TO SEE ELIGIBILITY EXPANDED TO ALLOW FOR THE PARTICIPATION OF IN-SCHOOL YOUTH AND YOUTH ATTACHED TO THE CRIMINAL JUSTICE SYSTEM.
- 4) WE OBJECT TO THE INCLUSION OF DAVIS-BACON AND PREVAILING WAGE LANGUAGE FOR YOUTH IN SECTION 851(j)(3) OF PART D. WE SUGGEST THAT THE MODEL ESTABLISHED IN CATEGORICAL YOUTH PROGRAMS OF "FEDERAL, STATE OR LOCAL MINIMUM WAGE, WHICHEVER IS THE HIGHEST" BE APPLIED TO ALL PARTS OF THIS TITLE. WE FIND IT ABSURD TO DO OTHERWISE, ESPECIALLY WITH THE PROJECTED INCREASE IN THE MINIMUM WAGE. WE WANT TO MAXIMIZE THE NUMBER OF YOUTH BEING SERVED.
- 5) WE ARE PUZZLED BY THE MAINTENANCE OF EFFORT LANGUAGE IN PARTS B AND C AS APPLIED TO TITLE I. ENROLLMENT FIGURES FOR TITLE I OF CETA MAKE IT CLEAR THAT PRIME SPONSORS PLACE A VERY HIGH PRIORITY ON SERVING YOUTH. DURING THE PERIOD FROM JULY 1, 1975, TO SEPTEMBER 30, 1976, 37 PERCENT OF THE MORE THAN TWO MILLION

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INDIVIDUALS WHO RECEIVED TITLE I TRAINING SERVICES WERE UNDER 22 YEARS OLD. THE MEDIAN AGE FOR ALL TITLE I ENROLLEES DURING THAT TIME WAS 21. GIVEN THIS RECORD, IT IS SAFE TO ASSUME THAT PRIME SPONSORS WILL CONTINUE TO EMPHASIZE SERVICES TO YOUNG PEOPLE. THE MAINTENANCE OF EFFORT LANGUAGE HOWEVER, WOULD ARBITRARILY FREEZE THE AGE DISTRIBUTION OF TITLE I ENROLLEES AND SEVERELY LIMIT A PRIME SPONSOR'S ABILITY TO ADDRESS ITS CHANGING EMPLOYMENT AND TRAINING NEEDS COMPREHENSIVELY.

6) WE SUPPORT THE FOLLOWING AMENDMENT TO PART D (SIMILAR TO SECTION 717 OF HR 6044):

"EARNINGS RECEIVED BY ANY YOUTH UNDER THIS TITLE SHALL BE DISREGARDED IN DETERMINING THE ELIGIBILITY FOR ANY OTHER IMMEDIATE FAMILY MEMBER WHO RESIDES IN THE SAME HOUSEHOLD FOR THE AMOUNTS OF ANY BENEFITS BASED ON NEED UNDER ANY FEDERAL OR FEDERALLY ASSISTED PROGRAM."

CERTAINLY, PARTICIPATION IN A YOUTH PROGRAM SHOULD NOT PREJUDICE THE RIGHTS OF OTHER MEMBERS OF THE YOUTH'S IMMEDIATE FAMILY RESIDING IN THE SAME HOUSEHOLD.

7) THE ONLY MENTION OF FRINGE BENEFITS FOR PARTICIPATING YOUTH INCORPORATES SECTION 703(6) BY REFERENCE IN SECTION 4 OF S. 1242. THIS WOULD LIMIT BENEFITS TO WORKERS' COMPENSATION. WE WOULD RECOMMEND THAT FICA ALSO BE INCLUDED AS A BENEFIT. PREVIOUS CATEGORICAL YOUTH PROGRAMS LIMITED BENEFITS TO WORKERS' COMPENSATION AND FICA, AND WE ENDORSE THAT LIMITATION.

8) WE WOULD LIKE TO SEE CLARIFICATION OF INTENT IN PARTS B AND C TO ALLOW USE OF SOME FUNDS FOR "SEED" MONEY FOR YOUTH ECONOMIC DEVELOPMENT PROJECTS SIMILAR TO WHAT OCCURRED UNDER OEO'S YOUTH DEVELOPMENT PROGRAM (YDP) IN THE LATE 1960's.

9) WE WOULD LIKE TO SEE MORE ATTENTION PAID TO THE SCHOOL-TO-WORK TRANSITION AND TO YOUTH ATTACHED TO THE CRIMINAL JUSTICE SYSTEM.

WE ARE EXTREMELY SUPPORTIVE OF THE THRUST OF THIS LEGISLATION AND HOPE THAT THIS SUBCOMMITTEE WILL CAREFULLY REVIEW OUR SUGGESTIONS WHEN WORKING UP THIS LEGISLATION.

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IN SUPPORT OF OUR SUGGESTIONS, WE WOULD LIKE TO REVIEW THE BUREAU OF LABOR STATISTICS 1976 ANNUAL AVERAGES FOR THE LABOR FORCE STATUS OF TEENAGERS BY SEX, RACE, AND TYPE OF AREA (THE COMPLETE REPORT IS ENCLOSED AS APPENDIX A). WE NOTE THAT THE UNEMPLOYMENT RATE FOR BLACK MALE YOUTH IN CENTRAL CITIES IS 41.5% WHILE IN THE SUBURBS IT IS 40.0%. THE NUMBERS OF UNEMPLOYED BLACK YOUTH IN CENTRAL CITIES VERSUS SUBURBS AND NON-METROPOLITAN AREAS IS IN A RATIO OF 1.4:1. WE PRESENT THESE BRIEF EXAMPLES ONLY TO REINFORCE OUR DESIRE TO HAVE FUNDS FOR THIS TITLE DISTRIBUTED BY FORMULAS BASED ON NEED. TOO OFTEN WELL MEANING FEDERAL OFFICIALS MAKE DECISIONS THAT ARE NOT REFLECTIVE OF THE MOST CURRENT DATA AVAILABLE. YOUTH PROGRAMS CANNOT BE EQUITABLE, TARGETED WITHOUT A FORMULA DISTRIBUTION TO PRIME SPONSORS BASED ON NEED.

MOVING BACK TO OUR CONCERN FOR AN ADEQUATE SHARE FOR LOCAL GOVERNMENT CONSERVATION EFFORTS IN PART A, SUFFOLK COUNTY HAS BEEN OPERATING A YOUTH CONSERVATION CORPS (YCC) PROGRAM EFFECTIVELY WITHIN ITS CETA UMBRELLA SINCE 1974. LAST YEAR, WE SERVED 474 YOUTH IN YCC, WITH 66% OF THESE YOUTH QUALIFYING AS ECONOMICALLY DISADVANTAGED. (A DETAILED DESCRIPTION OF SUFFOLK COUNTY'S YCC PROGRAM IS ENCLOSED AS APPENDIX B).

THE YCC PROGRAM HAS BEEN WELL RECEIVED BY THE CITIZENS OF SUFFOLK COUNTY. IN 1976, SIX SUFFOLK TOWNSHIPS CONTRIBUTED \$90,000 TO INCREASE THE SIZE OF OUR PROGRAM. IN 1977, EIGHT SUFFOLK TOWNSHIPS PLAN TO CONTRIBUTE \$105,000 TO AUGMENT OUR YCC PROGRAM. THE LOCAL NEED AND COMMITMENT TO THIS PROGRAM IS CLEAR. WE ARE READY AND HAVE THE EXPERIENCE TO INSTITUTE A YEAR-ROUND RESIDENTIAL AND NON-RESIDENTIAL PROGRAM. HOWEVER, WE NEED ASSURANCES THAT ADEQUATE FEDERAL FUNDS UNDER PART A WILL BE ALLOCATED TO COUNTY GOVERNMENTS TO MEET THEIR CONSERVATION NEEDS.

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WE WOULD REMISS IN OUR RESPONSIBILITY TO THE CETA SYSTEM IF WE DID NOT TAKE THIS OPPORTUNITY TO POINT OUT SOME TITLE VI IMPLEMENTATION PROBLEMS THAT ARE OCCURRING AS PRIME SPONSORS GET READY TO USE THE FUNDS IN HR 4876, THE ECONOMIC STIMULUS SUPPLEMENTAL. WE RAISE THESE ISSUES WITH THE HOPE THAT THE SENATE AND CONFERENCE REPORT ACCOMPANYING HR 2992 COULD BE USED TO CLARIFY INTENT WITH REGARD TO SECTION 608(a) OF P.L. 94-444 WHICH DEFINES CLIENT ELIGIBILITY. THE FOLLOWING CASES ARE EXAMPLES OF THE PROBLEMS.

- 1) AN INDIVIDUAL IS UNEMPLOYED FOR 6 WEEKS BEFORE REALIZING THAT HE/SHE IS ELIGIBLE FOR UI. THAT INDIVIDUAL THEN COLLECTS UI FOR 9 WEEKS AND IS TOLD THAT HE/SHE MUST STAY ON UI FOR ANOTHER 6 WEEKS BEFORE HE/SHE IS ELIGIBLE FOR A TITLE VI JOB. WE WOULD HOPE THAT CONGRESS DID NOT INTEND FOR THIS GAME TO BE PLAYED ON PEOPLE.
- 2) AN INDIVIDUAL IS TITLE VI INELIGIBLE ALTHOUGH UI ELIGIBLE BECAUSE HE/SHE IS NOT COLLECTING UI PAYMENTS BECAUSE OF INADEQUATE PRIOR SALARY WHEN INTERPRETED BY STATE UI LAW. HERE IS A NEEDY INDIVIDUAL WHO IS NOT BENEFITTING FROM UI, ALTHOUGH ELIGIBLE, AND IS EXCLUDED FROM A CETA TITLE VI JOB BECAUSE OF THE CONSTRAINTS OF SECTION 608(a).
- 3) MANY STATE UI LAWS REQUIRE AN INDIVIDUAL WHO VOLUNTARILY LEAVES A JOB TO WAIT SIX MONTHS BEFORE RECEIVING UI. HERE IS A CLASS OF PEOPLE WHO BY STATE LAW IS UI ELIGIBLE WHO HAVE TO WAIT 6 MONTHS PLUS 15 WEEKS RECEIVING UI BEFORE BEING ELIGIBLE FOR A TITLE VI JOB.
- 4) THE "PUBLIC PAYMENTS" LANGUAGE WHICH IS REPEATED IN THIS YOUTH BILL, IS BEING INTERPRETED ONLY TO INCLUDE FEDERAL PUBLIC PAYMENTS, THEREBY NOT EXCLUDING AND THEREFORE COUNTING GENERAL LOCAL PUBLIC ASSISTANCE AS PART OF INCOME WHICH DISQUALIFIES AN INDIVIDUAL FROM A TITLE VI JOB.

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5) THE FOLLOWING LANGUAGE IN SECTION 608(a)(2) [REPEATED IN SECTION 835(a)(3)], "(EXCLUSIVE OF UNEMPLOYMENT COMPENSATION AND OTHER PUBLIC PAYMENTS . . .)", PUTS THE CART BEFORE THE HORSE. IT FORCES ELIGIBILITY DETERMINATION BASED ON INCOME THE APPLICANT CANNOT RECEIVE, UNLESS HE OR SHE IS ENROLLED. IT ALSO HAS THE POTENTIAL TO CAUSE SOME AFDC DEPENDENT APPLICANTS TO BE DECLARED INELIGIBLE. THIS IS BECAUSE, DEPENDING ON THE WAGES RECEIVED, THE AFDC BENEFITS MAY BE REDUCED RATHER THAN ELIMINATED. THUS, AN INTAKE WORKER MUST PROJECT THE POTENTIAL CETA WAGE, THE AFDC ADJUSTMENT, AND ANNUALIZE THE RESULT. THESE COMPLICATED CALCULATIONS CAN ONLY BE GUESS WORK.

NACO SUGGESTS THAT THIS SECTION BE INTERPRETED IN THE CONFERENCE REPORT ACCOMPANYING HR 2992 TO MEAN: "EXCLUSIVE OF UNEMPLOYMENT COMPENSATION AND ALL FEDERAL, STATE AND LOCAL INCOME-TESTED AND/OR NEEDS TESTED PUBLIC PAYMENTS." THIS INTERPRETATION WOULD RESULT IN ELIGIBILITY DETERMINATION AND ENROLLMENT BASED ON ACTUAL INCOME OTHER THAN PUBLIC PAYMENTS.

A FURTHER CLARIFICATION COULD BE THAT THE APPROPRIATE MEMBERS OF AFDC FAMILIES ARE AUTOMATICALLY ELIGIBLE FOR TITLES VI AND VIII.

MR. CHAIRMAN, WE APPRECIATE THIS OPPORTUNITY TO TESTIFY BEFORE YOUR SUBCOMMITTEE. WE ARE ENCLOSING AS APPENDIX C OUR DETAILED SECTION BY SECTION SUGGESTIONS ON THIS BILL. WE STAND READY TO ANSWER ANY QUESTIONS THAT YOU MAY HAVE.

Appendix A

Table A. Labor force status of teenagers, by sex, race, and type of area, 1976 annual averages

Source: U.S. Census Bureau

Employment status and area	All teenage workers			Males			Females		
	Total	White	Black	Total	White	Black	Total	White	Black
CENTRAL CITIES									
Civilian noninstitutional population.....	6,521	3,178	1,245	2,309	1,567	594	2,312	1,611	651
Civilian labor force.....	2,283	1,502	443	1,308	948	236	1,079	854	207
Participation rate.....	35.2	47.3	35.6	56.6	60.5	39.7	46.7	53.0	31.8
Employed.....	1,751	1,464	256	912	756	138	838	706	118
Unemployed.....	533	338	188	396	191	96	241	147	63
Unemployment rate.....	23.4	18.8	42.4	20.1	17.6	41.5	22.3	17.2	43.0
Not in labor force.....	2,236	1,376	802	1,003	619	357	1,233	756	444
SUBURBS									
Civilian noninstitutional population.....	5,652	6,149	402	3,287	3,046	190	3,364	3,104	213
Civilian labor force.....	3,643	3,631	167	2,013	1,903	85	1,631	1,728	80
Participation rate.....	64.4	59.1	41.5	61.2	62.5	44.7	48.4	55.7	38.5
Employed.....	3,155	3,015	103	1,643	1,570	50	1,514	1,447	52
Unemployed.....	488	617	64	370	334	34	317	283	30
Unemployment rate.....	17.0	17.0	38.3	18.4	17.6	40.0	17.5	16.4	36.6
Not in labor force.....	2,808	2,518	236	1,274	1,143	106	1,534	1,374	130
NONMETROPOLITAN AREAS									
Civilian noninstitutional population.....	5,254	4,626	579	2,643	2,327	294	2,609	2,298	285
Civilian labor force.....	2,842	2,606	210	1,613	1,477	122	1,225	1,129	86
Participation rate.....	54.1	56.3	36.3	61.0	63.5	41.5	47.1	49.1	30.9
Employed.....	2,363	2,209	139	1,350	1,252	89	1,013	957	50
Unemployed.....	479	402	71	264	224	34	213	176	37
Unemployment rate.....	18.0	15.4	33.8	16.4	15.2	27.9	17.5	15.7	42.0
Not in labor force.....	2,411	2,019	369	1,030	850	172	1,384	1,169	198

NOTE: Totals include data for workers not classed as white or black.

Table 2. Teenagers not in the labor force, by reasons for not seeking work, type of area, and sex, 1976 annual averages

Percent Distribution

Item	Males			Females		
	Central cities	Suburbs	Nonmetropolitan areas	Central cities	Suburbs	Nonmetropolitan areas
Number not in labor force (in thousands)....	1,003	1,274	1,030	1,233	1,534	1,141
Total.....	100.0	100.0	100.0	100.0	100.0	100.0
Keeping house.....	.7	.3	.3	19.5	15.1	22.5
Going to school.....	78.3	80.3	80.3	64.3	69.8	67.8
Ill, disabled.....	1.0	.4	.7	.4	.2	.3
Other.....	20.0	19.0	18.7	15.8	14.8	13.2

Table 3. Unemployed teachers, by duration and type of area, 1976 - 1981 averages

[Percent distribution]

Duration of unemployment	Central cities	Suburbs	Metropolitan areas
Number of unemployed (in thousands)....	476	655	657
Total.....	100.0	100.0	100.0
Less than 5 weeks.....	42.5	51.3	50.7
5 to 14 weeks.....	39.2	32.4	32.3
15 to 26 weeks.....	11.8	11.4	11.1
26 weeks and over.....	6.5	4.9	5.9

SUFFOLK COUNTY YOUTH CONSERVATION CORPS PROGRAM

The Suffolk County Youth Conservation Corps (YCC) enrolled 474 youngsters, age 15 to 18, last year (1976) in one of the largest YCC programs operated by any local government.

The youths worked at specially designated clean-up and beautification projects at 800 sites throughout the County marking an important contribution to improvement of the County's natural environment. The summer of 1976 marked the third successive year that the Suffolk YCC has served the Suffolk community. It was also the fifth year that the Suffolk Department of Labor had conducted an environmental program for youth.

The youngsters, most of them attending high school and college, worked as members of 50 crews, each with a crew chief. Each working day the youngsters were transported to and from work sites in vehicles leased by the Department of Labor, which administers the overall County program. The youth earned \$2.30 an hour during their 35-hour work week and developed a greater knowledge and appreciation of the County's natural resources along the way. Of the total enrollees, 66 percent came from economically disadvantaged homes.

The activity of the Corps throughout the County has been quite diversified. Under the Category of Woodland Management the Corps improved landscapes by removing debris and the thinning, pruning and planting of vegetation. The YCC crews cleaned up 20 state and local parks, pruning bushes and trees and planting trees. Since 1976 was a Bicentennial year the Corps landscaped, restored and improved Bicentennial sites and historical areas including seven cemeteries. The crews cleaned out recharge basins, and removed obstructions from culverts and feed-in pipes leading to sumps. The youngsters also cleaned and blazed 57 miles of nature trails in 25 state, County and municipal preserves during the eight-week summer period.

Under the category of water and soil conservation the YCC crews freed streams of debris obstructing the natural flow of water, removing materials ranging from garbage, bottles, cans, and leaves to newspapers, shopping carts, refrigerators and washing machines from streams. They also worked at preventing soil and dune erosion along Long Island's north and south shores by planting hundreds of pine shrubs and installing drift fencing. To further their environmental education the youngsters were also taken on field trips to the New York State Ocean Science Laboratory, the Sunken Forest of Fire Island, the Vanderbilt Museum and Planetarium, the Suffolk County Marine Museum, and the Bayard Cutting Arboretum.

The day-to-day coordination and success of the broad YCC program in Suffolk has largely been made possible through the excellent cooperation that prevails between the Suffolk County Department of Labor and the Town governments. Last year 6 Suffolk Townships (Babylon, Huntington, Smithtown, Islip, Riverhead, East Hampton) contributed \$90,000 toward the YCC program. This year a total of 8 Townships (including Southhampton and Brookhaven) are contributing \$105,000 to the funding for the Suffolk YCC program. The Department of Labor has been designated as the single umbrella agency administering all manpower programs by the Suffolk County Prime Sponsor in consortium with the Suffolk Towns.

Originally the YCC program was authorized by the federal Youth Conservation Corps Act of 1970 which created summer environmental residential camps. The Corps was placed under the joint administration of the Department of Agriculture and Interior. In 1973 the Act was amended permitting financial assistance to states to cover the costs of their environmental projects and the employment of youngsters in the program. The amendment also made it possible for local communities to establish non-residential YCC programs. In 1974, after having observed two prior ecology programs conducted independently by Suffolk, the N.Y. State Department of Environmental Conservation awarded the County's first YCC program to the Suffolk Department of Labor. Suffolk's first YCC program started with a modest grant of \$25,000 for the summer of 1974. By the summer's end the state had increased the grant to \$150,000. In 1975, with initial federal funding and matching funds of New York State, Suffolk County and local Townships, YCC funds totaled \$337,000. During 1976 funding which also included earmarked CETA summer monies under Titles I and III was increased to a total of \$368,000 for the Suffolk YCC program. Funding for the 1977 summer YCC program is expected to provide for an enrollment of 450 youths, funded from federal, state and local monies.

The ever-increasing size of the Suffolk YCC program calls for greater preparation and planning. The high youth unemployment picture in the County and the benefits derived by both the youth and the community all point to recommending the need for making the YCC program in Suffolk a continuous year-round effort with suitable trained staff.

Also the YCC program has been so well received by citizens in the community and by the youngsters themselves that Suffolk should now explore the possibility of instituting a residential YCC program coordinating with the present non-residential program. The legislation under debate for a year-round non-residential YCC program is a step in the right direction. But, a local residential program for youth involving a campsite with proper personnel should also be funded by federal monies.

Specific Comments on H.R. 6136/S. 1243

Part A - National Young Adult Conservation Corps

- Sec. 801 - NACo recommends that priority be given to needy youth, without restricting participation unnecessarily. The section could be amended as follows: ". . .to youth, especially youth from families whose income is below the lower living standard budget, who would not . . ."
- Sec. 802 - Both residential and non-residential Corps centers should be allowed explicitly.
- Sec. 803(b)(1)(A) - The proviso here cannot be administered meaningfully because there is no way objectively to judge a young person's motives.
- Sec. 803(c) - NACo recommends that this preference be replaced by a criterion of family income equal to or less than the lower living standard budget. Otherwise, one would have to establish recruitment quotas for areas, sometimes at the census tract level, with 6.5 percent unemployment. Perhaps geographic targeting could better be accomplished by a formula distribution of funds for the creation of Centers based on each state's relative number of unemployed youth.
- Sec. 803(d) - NACo recommends that CETA Title I prime sponsors be given the primary responsibility for recruitment. Because the prime sponsors have direct access to the full range of youth employment and training opportunities, they are in the best position to refer individual young people to the most appropriate available activity, whether that be the Corps, programs under other parts of this title or other titles of CETA.
- Sec. 803(e)(2) - If income criteria are used for targeting services to needy youth, there would be no need to prohibit participation solely during the summer vacation. There are two practical arguments against this section: 1) public lands and waters require increased care and maintenance during the summer, and 2) the section would exclude all in-school youth, no matter how needy.
- Sec. 804(b)(6) - At the end of the sentence, add the following: ". . . and state and local agencies engaged in similar activities."
- Sec. 805 - There is no mention of fringe benefits. NACo recommends that the legislation mandate FICA and workers' compensation for programs under all three parts of this title.
- Sec. 806 - Agreements should be made directly with state and local chief elected officials, who may designate the appropriate public agency to carry out activities under this part.

Part B - Youth Community Conservation and Improvement Projects

- Sec. 811 - Delete the words ". . . supplementary to, but not replacing opportunities available under title I of this Act." Enrollment figures for title I of CETA make it clear that prime sponsors place a very high priority on serving youth. During the period from July 1, 1975, to September 30, 1976, 57 percent of more than two million individuals who received title I training services were under 22 years old. The median age for all title I enrollees during that time was 21. Given this record, it is safe to assume that prime sponsors will continue to emphasize services to young people. The legislative language in this section, however, would arbitrarily freeze the age distribution of title I enrollees and severely limit a community's ability to address its changing employment and training needs comprehensively.
- Sec. 812(3) (A) - "Unemployed" is administratively defined so as to exclude most students. If it is intended to allow after-school and/or week-end projects, "unemployed" should be applied only to out-of-school youths.
- Again, NACo recommends that preference be given to young people from families whose income does not exceed the lower living standard budget.
- Sec. 813 - NACo recommends that funds be targeted by some kind of needs criteria. We prefer a targeted, formula allocation to all CETA prime sponsors. In any event, it is administratively essential to provide planning allocations so that prime sponsors have a reasonable limit on the cost of project applications they select for submission to the Secretary.
- Sec. 814 - Is this intended to outlaw the coupling of part B projects with other CETA or non-CETA activities?
- Sec. 815 (b) (8) - This is more appropriately the function of the prime sponsor (eligible applicant). Many prime sponsors have well over one hundred Title VI projects. If a similar number of agencies apply to operate these projects, it would be absurd for each operator to negotiate its own recruitment and coordination procedures.
- Sec. 816(b) - The prime sponsor (eligible applicant) must have a dollar allocation or target in order to limit applications to a reasonable total. Moreover, given the bulk of narrative description contained in each application, the time required to solicit and review proposals, and the number of possible applications, NACo strongly recommends that the project applications not be a part of the proposed agreements.
- Sec. 817(a) - If the selection procedures of section 816(c) are to be meaningful, the Secretary should at least abide by the priorities established by the prime sponsor and its planning council. Project by project approval, especially in cases where there is no specific local allocation, suggests to experienced federal grantsmen that virtually any application be submitted on the chance that it might be approved.

Sec. 817(b)(2) - See our comment on section 812(3)(A). Because of the definition of "unemployed," very few youth in school would be eligible.

Part C - Comprehensive Youth Employment and Training Programs

Sec. 831 - NACo strongly recommends that the Title I hold harmless language be deleted for the same reasons outlined in our comments on section 811.

The statement of purpose or report language should make it clear that placement in unsubsidized employment is not the only or, for younger participants, even the primary acceptable outcome of this part. Labor market studies make it clear that frequent job changing and a pattern of entering and leaving the labor force are characteristic of, and frequently beneficial to, young people. Programs that facilitate job sampling and/or a return to school may be just as valuable as training for a specific job in the long run.

Sec. 833(a) - NACo recommends that 80 percent of the funds be allocated to prime sponsors by formula based on needs criteria.

Sec. 833 (a)(3) - NACo recommends the use of the average of the most recent twelve months' data to avoid penalizing some areas because of normal seasonal variations.

Sec. 833(d) - NACo recommends that 20 percent of the funds be covered by this section.

Sec. 835(a)(1) - This would exclude most in-school youth. See our comment on Section 812(3)(A).

Sec. 835(a)(3) - It would be simpler to say: "are members . . . not exceeding 70 per centum. . ."

The language of the parenthetical expression puts the cart before the horse and repeats a problem with title VI eligibility determinations. It forces eligibility determination based on income the applicant cannot receive, unless he or she is enrolled. It also has the potential to cause some AFDC dependent applicants to be declared ineligible. This is because, depending on the wages received, the AFDC benefits may be reduced rather than eliminated. Thus, an intake worker must project the potential CETA wage, the AFDC adjustment, and annualize the result. These complicated calculations can only be guess work.

NACo suggests the following alternative language:

"(exclusive of unemployment insurance and all income-tested and/or needs-tested public payments)."

This language would result in eligibility determination and enrollment based on actual income other than public payments. Those other systems would then adjust benefits based on the family's changed real income, not on a projection of income if the person enrolls in CETA. Such adjustments might include the following:

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1. Disqualification from receiving UC, by reason of employment, or
2. Reduction in AFDC, SSI, etc. (income/needs tested public payments); or
3. Disqualification for such income/needs tested public payments if the salary is sufficiently high.

Section 832(c)(6) should be included in the list of activities open to otherwise ineligible youth.

Sec. 836(2) - Delete this section as it nearly duplicates section 105(a)(3). There is no justification for mandating the public employment service as a referral agency. Section 105 directs prime sponsors to utilize existing agencies, specifically including the public employment service, unless the agency's effectiveness in that locality is not up to the effectiveness of other potential services agencies. Selection of service deliverers based on their local effectiveness is essential to good programming.

Section 838(a) - Again, see our comment on section 812(3)(A) regarding the eligibility of in-school youth.

Part D - General Provisions

Sec. 851(f) - NACo recommends that this section reference section 104, so that it is clear that a parallel, duplicative mechanism is not envisioned.

Sec. 851(j)(3) - Youth should be limited to the federal, state, or local wage whichever is highest. Davis-Bacon and prevailing wage language should not be applied to youth.
Are projects under \$5,000 likely?

Senator NELSON. Thank you, Mr. Klein, for your very thoughtful statement. We also appreciate very much your appendix C which identifies each and every section and the comments on behalf of the National Association of Counties on each and every item which concerns you.

Senator Javits?

Senator JAVITS. Thank you.

Thank you very much, Mr. Klein.

You were here when I asked the questions of Mayor Gibson respecting the transition from school to work, the 75 percent revision instead of the 80 percent which he asked for and you ask for, and the problem of the \$2.5 billion. Would you generally respond the same way as he did to the question?

Mr. KLEIN. Senator Javits, I would say with equal enthusiasm, we will take it. And second, I would point out NACO indeed testified in support of the \$2.5 billion.

Senator JAVITS. Thank you very much. I appreciate your testimony. It is very helpful and very specific, just the kind of thing we really find most useful.

Mr. KLEIN. Thank you, Senator.

Senator NELSON. Thank you very much.

Our next witness is Mr. Stephen Bailey, vice president of the American Council on Education.

Your statement will be printed in the record in full. It is 10 minutes to 12. At 2 o'clock there is a roll call vote, so I will continue these hearings through the noon hour in the hope that we can complete them before we have to go to the floor. So, if in any part of your statement you could summarize extemporaneously in order to economize on time and get every witness heard we would appreciate it.

STATEMENT OF STEPHEN K. BAILEY, VICE PRESIDENT, AMERICAN COUNCIL ON EDUCATION

Mr. BAILEY. Mr. Chairman, I am delighted to be here on behalf of the American Council on Education. I will not trouble you with the first two pages of my testimony which simply say, in essence, that we are fully supportive of the purposes of the bill.

I would like to call your attention to what begins at the top of page 3. The core of the argument is that institutions of higher education can and should play a significant role in a national youth employment policy.

Part B of the administration's proposed CETA title VIII, for example, calls for the employment of young people, ages 18 to 22, in community conservation and improvement projects which would not otherwise be undertaken. Projects would be carried out by State and local governments, as well as by private, nonprofit agencies submitting applications to prime sponsors.

Training and work experience for unemployed youths would be combined with classroom instruction. Participants would be eligible to earn academic credit for course work and training experiences. Such a proposal fully embraces the idea that only through combined classroom instruction and "hands on" experience can an unemployed young person measurably increase his or her employability.

I hope that the classroom instruction and academic credit provisions of part B will be explicitly phrased to permit instruction in institu-

tions of higher education. By instruction, I mean not only vocational courses designed specifically for young people who have employment handicaps, but also the traditional courses of colleges, junior colleges, and universities—courses which, over the years, have proven their capacity to hone basic skills and enrich lives. Academic courses should not, therefore, be neglected as a component of the Federal youth initiative.

While there is probably no single formula for successful CETA higher education collaboration in the youth employment area, different arrangements can be tested and utilized at the local level. It would be appropriate for legislation like CETA, designed by Congress to encourage flexibility at the local level, to make it explicit that collaboration with higher education is possible and desirable.

In order to insure that youth have available a complete range of education options, the law could specify that universities, colleges, and junior colleges can function as administrators of training programs; that one component of a successful local youth program can be degree-credit study by participants; and that a work-study program, in which a part-time job is coupled with HEW student aid [such as a basic educational opportunity grant] can be an effective package.

Such an indication of congressional intent would assure prime sponsors that collaborative activities with higher education institutions in their communities are legitimate and in many cases appropriate. With your permission, I would like to submit to the Human Resources Committee some alternative language for part B which I believe would strengthen the bill in this important respect. It is attached, Mr. Chairman.

Senator NELSON. That is part B?

Mr. BAILEY. Indeed.

Concerning part C of the administration's bill, my comments are very similar. This part would provide funds for a broad variety of employment and training programs designed to enhance the job prospects of young persons. The programs would be coordinated at the local level with the activities of local education agencies, postsecondary institutions, other youth programs, community-based organizations, businesses, labor organizations, other job training programs, the apprenticeship system, and with respect to referral of prospective youth participants to the program, the public employment service system.

Arrangements would be made so that participants could receive academic credit for the work experience they obtain. These are wise provisions. Once again, I urge that the educational emphasis of the program be stated broadly and flexibly. Participating prime sponsors and nonprofit agency project coordinators should be encouraged to work with the colleges to provide classroom training along with the other services, and to make arrangements with postsecondary institutions for youth participants to receive academic credit.

With your permission, I would like to submit some alternative language for part C which would address these concerns.

Senator NELSON. Do you have it submitted?

Mr. BAILEY. Yes, it is included in part B, Senator Nelson.

Before concluding, I would like to comment briefly on the amendment to the administration bill offered by Senators Humphrey and Javits. Among their concerns, the Senators have pointed out that no formal provision is made in the bill for a program of occupational counseling, career guidance, and labor market information.

Their amendment would attempt to correct this omission. I agree with them that job counseling and career guidance should be major components of a national youth employment initiative. But, I would like to point out that there are already laws on the books that would, if fully funded, provide youths with these services.

To date, however, no funds have been provided to implement these programs. Consider the fact that the Vocational Education Amendments of 1976 require that the National Occupational Information Coordinating Committee develop various kinds of informational systems to meet the common occupational needs of vocational education programs.

There is also the new educational information program, authorized under section 135 of the 1976 Education Amendments, which would, if funded, provide for the establishment of statewide educational information centers. These centers would direct citizens to resources in postsecondary education, job training, student aid, job placement, remedial and tutorial services, and other areas as well.

Finally, Congress should provide increased support for the occupational information systems program, which was launched by the Labor Department 3 years ago but which has never really expanded as originally envisioned. This program has as its main objective providing occupational information to persons who are in the process of career exploration and decisionmaking, especially students and out-of-school youth.

It is not, I believe, unreasonable to ask that Congress give its full support to programs already on the books before it enacts very similar new programs. The three programs I have mentioned would seem to be potential components of an outstanding educational, occupational, and career counseling system.

The three components—one focusing on vocational education, one on postsecondary education, and one on the labor market—could combine their efforts, share information, and provide a broad range of services for youth. What is lacking is the requisite startup money from the Federal Government. Therefore, the higher education associations have recommended that \$15 million be appropriated for the educational information program for fiscal year 1978.

I would also urge funding and congressional support of the vocational education and the occupational information systems programs. Through this course of action, I think that our shared goals in the occupational information and career counseling area can be achieved without further legislative enactments.

I hope that the concerns I have voiced today make it clear that higher education has a part to play in the coming Federal youth employment initiative. At the American Council, we are confident that a university, college, or junior college can assume leadership in a youth employment and training program or can otherwise play a major role in a local effort.

With Federal encouragement, this activity can grow and become a force for community advancement in meeting the employment and education needs of individuals and industry. Again, I thank you for the opportunity to speak on these issues.

I shall be happy to answer any questions you may have.

[The prepared statement of Mr. Bailey and additional material follow:]

TESTIMONY

by

Stephen K. Bailey
Vice President
American Council on Education

Before the Senate Subcommittee on Employment, Poverty, and Migratory Labor
U.S. Senate

April 21, 1977

It is with great pleasure that I come before you today to address the concerns of the American Council on Education in the area of youth employment and training. Youth and the concerns of youth--in the education system, in the marketplace, in the society at large--have long been an area of Council attention, dating back to our creation of the American Youth Commission in the years 1935 to 1941. Today, our interest in this area continues and it is encouraging that this interest is shared by the new Administration and the Congress.

We find much that is commendable in the Administration's "Youth Employment and Training Act of 1977." It has become evident to all of us that schools, employers, labor unions, non-profit groups, and governmental agencies at all levels must work separately and together to develop expanded opportunities for youth. Too many young people find themselves

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uninterested in what the education system has to offer and at the same time rejected by the world of work. In a situation like this, new initiatives in public employment, job training, classroom instruction, and career counseling are sorely needed. And the Administration's bill goes a long way toward establishing a national commitment to these goals.

There is a second value that is increasingly shared by people within and outside of the Federal government. This is the idea that there must be collaboration between education and the world of work, that these two areas of operation can no longer exist in isolation from one another if our country's youth are to make a successful transition into adulthood. During the past few years we have seen the emergence of several Federally-initiated attempts to further this idea; these include Career Education, the consortium of Community Work-Education Councils, the other activities of the interagency Work and Education Project, the Occupational Information Systems, the collaborative activities required under the 1976 Vocational Education amendments, among others. Some attention to the school-to-work transition must find its way into whatever youth employment legislation is enacted by Congress this year. The Administration's bill, with its prescription for balanced programs of training, employment, and classroom instruction, does take account of this concept of collaboration.

To these two shared values--greater opportunities for youth and work-education collaboration--let me add a third value, a value perhaps not yet of high priority in the Federal government but

which is increasingly held in the higher education community. This is the belief that institutions of higher education can play a significant role in a national youth employment policy.

Part B of the Administration's proposed CETA Title VIII, for example, calls for the employment of young people, ages 18-22, in community conservation and improvement projects which would not otherwise be undertaken. Projects would be carried out by state and local governments, as well as by private, non-profit agencies submitting applications to prime sponsors. Training and work experience for unemployed youths would be combined with classroom instruction. Participants would be eligible to earn academic credit for course work and training experiences. Such a proposal fully embraces the idea that only through combined classroom instruction and "hands on" experience can an unemployed young person measurably increase his or her employability.

I hope that the classroom instruction and academic credit provisions of Part B will be explicitly phrased to permit instruction in institutions of higher education. By instruction, I mean not only vocational courses designed specifically for young people who have employment handicaps, but also the traditional courses of colleges, junior colleges, and universities--courses which, over the years, have proven their capacity to hone basic skills and enrich lives. Academic courses should not, therefore, be neglected as a component of the Federal youth initiative.

While there is probably no single formula for successful CETA/higher education collaboration in the youth employment area, different arrangements can be tested and utilized at the local level. It would be appropriate for legislation like CETA, designed by Congress to encourage flexibility at the local level, to make it explicit that collaboration with higher education is possible and desirable. In order to insure that youth have available a complete range of education options, the law could specify that universities, colleges, and junior colleges can function as administrators of training programs; that one component of a successful local youth program can be degree-credit study by participants; and that a work/study program, in which a part-time job is coupled with HEW student aid (such as a Basic Educational Opportunity Grant) can be an effective package. Such an indication of Congressional intent would assure prime sponsors that collaborative activities with higher education institutions in their communities are legitimate and in many cases appropriate. With your permission I would like to submit to the Human Resources Committee some alternative language for Part B which I believe would strengthen the bill in this important respect.

Concerning Part C of the Administration's bill, my comments are very similar. This Part would provide funds for a broad variety of employment and training programs designed to enhance the job prospects of young persons. The programs would be coordinated at the local level with the activities of "local education agencies, postsecondary institutions, other youth programs, community-based

organizations, businesses, labor organizations, other job training programs, the apprenticeship system, and with respect to referral of prospective youth participants to the program, the public employment service system." (Section 836 [2])

Arrangements would be made so that participants could receive academic credit for the work experience they obtain. These are wise provisions. Once again I urge that the educational emphasis of the program be stated broadly and flexibly. Participating prime sponsors and non-profit agency project coordinators should be encouraged to work with the colleges, to provide classroom training along with the other services, and to make arrangements with postsecondary institutions for youth participants to receive academic credit.

With your permission, I would like to submit some alternative language for Part C which would address these concerns.

Before concluding, I would like to comment briefly on the Amendment to the Administration bill offered by Senators Humphrey and Javits. Among their concerns, the Senators have pointed out that no formal provision is made in the bill for a program of occupational counseling, career guidance, and labor market information. Their Amendment would attempt to correct this omission. I agree with them that job counseling and career guidance should be major components of a national youth employment initiative. But I would like to point out that there are already laws on the books that would, if fully funded, provide youths with these services. To date, however, no funds have been approved to

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implement these programs. Consider the fact that the Vocational Education Amendments of 1976 require that the National Occupational Information Coordinating Committee:

develop and implement, by September 30, 1977, an occupational information system to meet the common occupational needs of vocational education programs at the national, state, and local levels, which system shall include data on occupational demand and supply based on uniform definitions, standardized estimating procedures, and standardized occupational classifications.
(Vocational Education Act of 1963, as amended, Section 161 [b] [1] [B]).

There is also the new Educational Information Program, authorized under Section 135 of the 1976 Education Amendments, which would, if funded, provide for the establishment of statewide Educational Information Centers. These Centers would direct citizens to resources in postsecondary education, job training, student aid, job placement, remedial and tutorial services, and other areas as well.

Finally, Congress should provide increased support for the Occupational Information Systems programs, which was launched by the Labor Department three years ago but which has never really expanded as originally envisioned. This program has as its main objective providing "occupational information to persons who are in the process of career exploration and decision-making, especially students and out-of-school youth."

It is not, I believe, unreasonable to ask that Congress give its full support to programs already on the books before it enacts very similar new programs. The three programs I have mentioned would seem to be potential components of an outstanding educational, occupational, and career counseling system. The three components--one focusing on

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vocational education, one on postsecondary education, and one on the labor market--could combine their efforts, share information, and provide a broad range of services for youth. What is lacking is the requisite start-up money from the Federal government. Therefore, the higher education associations have recommended that \$15 million be appropriated for the Educational Information Program for FY 1978. I would also urge funding and Congressional support of the vocational education and the Occupational Information Systems programs. Through this course of action, I think that our shared goals in the occupational information and career counseling area can be achieved without further legislative enactments.

I hope that the concerns I have voiced today make it clear that higher education has a part to play in the coming Federal youth employment initiative. At the American Council, we are confident that a university, college, or junior college can assume leadership in a youth employment and training program or can otherwise play a major role in a local effort. With Federal encouragement, this activity can grow and become a force for community advancement in meeting the employment and education needs of individuals and industry. Again, I thank you for the opportunity to speak on these issues.

I will be happy to answer any questions you may have.

Proposed Changes in S.1242

Stephen K. Bailey
Vice President
American Council on Education
April 21, 1977

Part B

"Sec. 811. It is the purpose of this part to establish a program of community conservation and improvement projects to provide employment, work experience, education, and skill training opportunities for community service to eligible youths, for a period not to exceed twelve months, supplementary to, but not replacing opportunities available under title I of this Act.

Sec. 815 (b) (8) describe the method of recruiting eligible youth, including a description of how such recruitment is coordinated with plans under other parts of this title and with arrangements required by section 105 of this Act, and also including arrangements with school systems, institutions of higher education, and the public employment service, including its school cooperative programs;

Sec. 817 (b) (2) projects will be conducted in such a manner as to permit the eligible youth employed in the project who are in school to coordinate the job with classroom instruction and, to the extent feasible, to permit such eligible youths to receive credit from the appropriate education agency, institution of higher education, or secondary or vocational school involved."

Part C

"Sec. 831. It is the purpose of this part to establish comprehensive programs, supplementary to but not replacing programs and activities available under title I of this Act, to enhance the job prospects and career opportunities of young persons, including employment, community service opportunities, and such training, educational, and supportive services as are necessary to enable participants to secure suitable and appropriate unsubsidized employment in the public and private sectors of the economy. To the maximum extent feasible, training, educational, and employment opportunities afforded under this part shall be interrelated and mutually reinforcing so as to achieve the goal of enhancing the job prospects and career opportunities of persons served under this part.

Proposed changes in S.1242
 Stephen K. Bailey
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Sec. 832. The Secretary is authorized to provide, subject to such terms and conditions as he deems appropriate, financial assistance to enable eligible applicants (as defined in section 834) to provide employment opportunities and appropriate training, educational, and supportive services for eligible participants including but not limited to:

Sec. 832 (c) appropriate training, education, and services to support the objective of this part, including but not limited to:

- Sec. 832 (c) (8) attainment of degrees of higher education;
 (9) job sampling, including vocational exploration in the public and private sector;
 (10) institutional and on-the-job training;
 (11) transportation assistance; and
 (12) other necessary supportive services.

Sec. 838 (a) There are authorized to be established innovative and experimental programs to test new approaches for dealing with the unemployment problems of youth. In establishing such programs, the Secretary shall consult, as appropriate, with the Secretaries of Commerce, Health, Education, and Welfare, Housing and Urban Development and with the Director of ACTION. Such programs shall include, where appropriate, cooperative arrangements with educational agencies and institutions of higher education to provide special programs and services for eligible participants enrolled in secondary schools, junior colleges, colleges, and universities, including job experience, counseling and guidance prior to the completion of school and making available occupational, educational and training information through statewide career information systems.

Sec. 839. In the administration of this part, appropriate efforts shall be made to encourage the granting by the educational agency, higher education institution, or vocational or secondary school involved of academic credit to eligible participants who are in school.

Part D

Sec. 852. The Secretary in carrying out the purposes of this title, shall work with the Department of Health, Education, and Welfare to make suitable arrangements whereby academic credit may be awarded by institutions of higher, secondary, and vocational education and educational agencies for competencies derived from work experience obtained through programs established under this title.

Senator NELSON. I want to thank you very much, Mr. Bailey, for your very thoughtful testimony and your specific proposed changes which we will take up at the time of the committee markup on the legislation.

I don't have any questions. I thank you very much.

Our next witness is Mr. Seymour Wolfbein, dean of the graduate school of business, Temple University, Philadelphia, Pa.

STATEMENT OF SEYMOUR L. WOLFBEIN, DEAN, GRADUATE SCHOOL OF BUSINESS, TEMPLE UNIVERSITY, PHILADELPHIA, PA.

Mr. WOLFBEIN. Thank you very much, Senator.

I have a statement which I submitted, and I will just take a few minutes to summarize it.

Senator NELSON. It will be printed in full in the record at the conclusion of your testimony.

Mr. WOLFBEIN. My statement contains only three points, and I will spend just less than a moment on each one.

There is an appendix, Senator Nelson, to my testimony, a table which, I think, summarizes a good deal of the statistical information, and I will not go over it.

I think it emphasizes a good deal of what has already been said to this committee about the severity and pervasiveness of the problem.

My only comment is as follows, Senator.

I think it is fair to say, after one looks at the various data, that the basic problem of youth unemployment is indeed different from what prevails among other groups. It is intractable enough not to yield to overall monetary and fiscal measures, which can stimulate the economy as a whole.

Therefore, I think this subcommittee is pursuing the right road in pursuing programs which specifically target this specific group.

I think that is all I have to say about that.

Senator NELSON. I might say your position on that point is the same as Secretary Marshall's testimony yesterday.

Mr. WOLFBEIN. The second point, very quickly again in a moment, it is our view, as we view from the outside in academia particularly, that the youth problem is indeed a pervasive one, Senator, that affects all classes, all groups in all sections of the country. I recommend that the committee take a look at some of the data that we present here.

This is a problem which is not confined, I repeat, to any particular class or any particular group—the blacks, the whites, Spanish speaking. We have already heard from Mr. Klein how close unemployment rates are between the innercity and the suburbs. This is very rarely mentioned. It is extremely important to note.

The conclusion we draw from this is that whatever legislation does get enacted, Senator Nelson, recognizing all differentials and making sure that different groups do get their priorities, I think, is very, very important that everybody in the particular age groups covered by this legislation does get a chance to enter some aspect of the program you have.

You do have a very broad menu of programs. I think it would be a tremendous change, given the nature of the problem, to have people from all groups and all sections of the country having the ability to engage in them.

Now, the third item, and then I am through, refers to some of the amendments submitted by Senator Javits and Senator Humphrey. This has already been emphasized, too, I commend to you, sir, that part of the legislation which really puts together work as well as training. I have spent about a third of a century in this arena, and whether it is MDTA or CETA or whatever, Senator Nelson, indeed the most successful programs are those which include not only training available to people, but also the ability to transact with work at the same time.

Senator NELSON. Do what?

Mr. WOLFBEIN. To transact with the work situation at the same time.

As I say in the testimony, I will not repeat all of it, once you put these together, you really line up the training and work field. Many people use the terminology transition from school to work, and all the other phrases you have heard so many times. And when you really open this up, you find that what really works is when people who are taking training can also get an opportunity to transact with the world of work at the same time.

We call it coupled training under CETA, and we call it work study in academia. Whatever the name, this really warrants special emphasis in your programs.

I have some other comments, but they are already in the testimony.

I appreciate the opportunity to have this opportunity to speak to the committee.

I congratulate you as a man who has been in this field for a third of a century, that this is really the way to go in putting right on the table the importance of the youth unemployment problem.

Thank you very much.

[The prepared statement of Mr. Wolfbein follows:]

UNEMPLOYMENT AND YOUTH

by

SEYMOUR L. WOLFBEIN, DEAN
SCHOOL OF BUSINESS ADMINISTRATION
TEMPLE UNIVERSITY
PHILADELPHIA, PENNSYLVANIA

(Presented before Subcommittee on Employment, Poverty and Migratory Labor,
Committee on Human Resources, U. S. Senate, April 21, 1977.)

I appreciate very much the opportunity to present this brief testimony to the U. S. Senate's Subcommittee which is considering legislation to provide programs which deal with what has been and still remains one of the major problem areas on the employment/unemployment scene in this country.

I submit for the Subcommittee's consideration the following three points.

The first is that the problem of youth unemployment in the U.S.A. has stayed with us for a long time, in war and in peace, and through all phases of the business cycle. The documentation for this is found in the Table appended to this paper. Here are some of the highlights:

- We are now into the 15th consecutive year in which unemployed teenagers alone have accounted for at least one out of every five persons we enumerate as unemployed.
- Throughout this period of time, 16-19 olds never accounted for as much as ten percent (10%) of the nation's labor force. Thus, their proportion of unemployment was at least double and often more than triple their corresponding proportion of the work force.

- Even during periods of high levels of economic activity and job growth, e.g., during the Vietnam era when the overall unemployment rate fell as low as 3.5 percent, unemployment continued very high among youth, about quadruple the national rate.
- Even during the most recent recession which saw hundreds of thousands of adult workers laid off from industrial and business payrolls in such basic sectors as autos and steel, these youths continued to account for close to one out of every four jobless.

Under the circumstances it is a fair observation to make that the basic problem of youth unemployment is indeed different from what prevails among other groups; that it is intractable enough not to yield to overall monetary and fiscal measures which may stimulate the economy as a whole; that whatever stimulus does ensue from such measures does not trickle down enough to make a significant dent on youth unemployment; that this Subcommittee, therefore, is pursuing the right road in considering programs which will specifically target the youth group.

The second is that the problem of youth unemployment is an extremely pervasive one, affecting all sectors of the American society, rural as well as urban, white as well as black, and at most if not all levels of living.

- There are indeed important variations in the various indices of unemployment among different population groups. The unemployment rate for nonwhite youth has ranged from 25 percent to close to 40 percent during the past decade and a half, twice the rate among whites.

- Recent data for youth of Spanish origin also document the very high jobless rates among them, about midway between blacks and whites. For example, in 1976, the unemployment rate was 39 percent for teen age blacks, 23 percent for Spanish origin teenagers and 17 percent for whites 16-19 years of age.
- At least one out of every nine white youths have been unemployed during the past decade and a half and it has been closer to one in six in recent years, indicating that among this group, too, the problem is severe also.
- Unemployment among youth is also very high in the various geographic sections of the country. In 1976, for example, it was 23 percent in the inner cities of metropolitan areas, but was also as high as 18 percent in their suburbs, as well as 17 percent in nonmetropolitan areas. The particular problems of rural youth have been documented by Dr. Marshall before he became Secretary of Labor (cf., "Problems of Rural Youth", Chapter 10 in From School to Work: Improving the Transition (National Commission for Manpower Policy, Washington, D. C., 1976)). They are indeed also severe.

Under the circumstances it is important that the programs being considered by this Subcommittee be available for all sectors of society's youth. Problems of unemployment, lack of education and training and some of their other concomitants including crime, drug trafficking, etc. are not the exclusive province of particular classes, color, ethnic or even income groups.

Whatever legislation is proposed should, of course, assure that groups with important differentials in joblessness are able to get full

access to programs which they might not otherwise have. At the same time, I would bar no group from such access if they need it and could benefit from it, even if they come from a higher family income class for example.

The crux of the matter, I should think, is put for example in Section 835C of S.1242 which simply says that "To the maximum extent feasible, programs under this part shall be targeted on participants who are out of school, out of work, and experiencing severe handicaps in obtaining employment, including but not limited to those who lack credentials, such as a high school diploma, and those who require substantial basic and remedial skill development."

This ought to be the letter and spirit of this kind of legislation throughout its parts.

The third, is that the combination of work and study is one of the key elements of all successful youth programs, whether they are conducted under the aegis of Federal employment and training legislation or under regular academic context. These programs go by different names--work-study, cooperative education, coupled training, etc. Their common denominator is the synchronized bringing together of classroom training and on-the-job experience.

These programs result in a number of major advantages to everyone concerned. They assure a connection, a series of transactions between the education and training constituencies and the employing institutions, so

that both understand the problems and opportunities of each other. Classroom instruction becomes alive in being put to use in the real world for which academic credit can also be given. Students can also get a wide range of work done; they run the gauntlet of the actual job market and they get a chance to try out different fields of work. Employers also can be compensated for any extra costs entailed and they also get the chance to see a young person's work and even get first crack at employing that person when he or she is finished with training.

This is why I commend these parts of the proposed legislation before this Subcommittee which emphasize the relationship that must be built and maintained between the people and programs emerging from this legislation and what goes on in the rest of the education and training world. For example, S.1242, Sec. 836(1) and (3); and the emphasis on relationships with employing institutions, both profit and nonprofit--for example--S501, Sec. 701, (b), particularly (4), (5), (6), (7), (8), (9), (11), (16), and (17) as well as Admendments to S-1242 proposed by Senators Javits and Humphrey, particularly to Section 2, Section 836 by adding (6) and (7) which call for part-time employment opportunities and work experience for those in training.

There are other specific points in the proposed legislation which warrant comment, but to save time I will mention just a few:

- I would make youth programs available regardless of overall unemployment rates, adjusting their size and funding rather than their sheer availability to the trend in unemployment--this

in line with my first point concerning the persistence of the youth unemployment problem through all stages of the business cycle. I refer specifically, for example, to S.1242, Part A, Sec. 803(c) in this regard.

- I would commend the Subcommittee's attention to the changes in Section 2, Section 838 of S.1242 proposed in the Amendments by Senators Javits and Humphrey calling for additional occupational outlook data and other occupational information systems at the state and local level, so that programs can get an important sense of direction from current and anticipated labor market developments.
- S.1242, Part D, Section 851(f) calls for getting the views of the target population and taking them into consideration in designing programs. We rarely, if ever, do this and it ought to be a worthwhile effort which could very well get some good and useful suggestions.

The legislation before this Subcommittee is historic. It brings out into the open one of the surpassingly serious social and economic problems; it provides a broad and diverse menu of programs to cope with that problem, addressing itself to different groups in different parts of the country. No one has a magic wand for solving the problem of youth unemployment and neither does this legislation. But if the programs it calls for are launched, and if they indeed provide access to all who need them and they are carried out in the manner prescribed as high quality efforts, then we ought to begin to see some progress in helping young persons make it into the job world in positions which make sense to them as well as to the society as a whole.

UNEMPLOYMENT AMONG 16-19 YEAR OLDS
1960-1976

Year	All Unemployed Teenagers				White Unemployed Teenagers			Black Unemployed Teenagers		
	Number (000)	Unemployment Rate	% of All Unemployed	% of Labor Force	Number (000)	Unemployment Rate	% of All Unemployed Whites	Number (000)	Unemployment Rate	% of All Unemployed Blacks
1960	711	14.7%	18.5%	7.0%	575	13.4%	18.7%	138	24.4%	17.5%
1961	828	16.8	17.6	7.0	669	15.3	17.9	158	27.6	16.3
1962	720	14.6	18.4	7.0	580	13.3	19.0	141	25.1	16.4
1963	883	17.2	21.7	7.2	708	15.5	22.1	176	30.4	20.4
1964	872	16.2	23.0	7.4	708	14.3	23.6	165	27.2	21.0
1965	874	14.8	26.0	7.9	703	13.4	26.1	169	26.2	25.0
1966	836	12.7	29.1	8.7	651	11.2	28.9	185	25.4	29.8
1967	838	12.9	28.2	8.4	635	11.0	27.2	204	26.5	32.0
1968	839	12.7	29.8	8.4	644	11.0	28.9	195	25.0	33.1
1969	853	12.2	30.1	8.6	660	10.7	29.2	193	24.0	33.9
1970	1,105	15.3	27.0	8.8	871	13.5	26.1	235	29.1	31.3
1971	1,257	16.9	25.2	8.9	1,010	15.1	24.8	248	31.7	27.0
1972	1,302	16.2	26.9	9.3	1,017	14.2	26.2	284	33.5	29.7
1973	1,225	14.5	28.5	9.5	950	12.6	27.9	275	30.2	30.5
1974	1,410	16.0	27.8	9.7	1,099	14.0	27.1	311	32.9	30.6
1975	1,752	19.9	22.4	9.5	1,406	17.9	22.1	347	36.9	23.8
1976	1,701	19.0	23.3	9.5	1,356	16.9	23.2	345	37.1	24.1

SOURCE: Based on data from U. S. Department of Labor, Bureau of Labor Statistics.

Senator NELSON. Thank you very much, Mr. Wolfbein, for your very thoughtful testimony.

You were once the Administrator of the Bureau of Labor Statistics?

Mr. WOLFBEIN. I was the first Administrator for MDTA.

Senator NELSON. I remember the testimony of yours 10 or 12 years ago.

Mr. WOLFBEIN. Yes, sir.

Senator NELSON. I am glad to see you back.

Mr. WOLFBEIN. Thank you very much.

Senator NELSON. Our next witness is Mr. Peter Edelman, director, division of youth services, New York State.

STATEMENT OF PETER B. EDELMAN, DIRECTOR, NEW YORK STATE DIVISION FOR YOUTH

Mr. EDELMAN. Mr. Chairman, I will summarize my statement as well. I think that would be helpful.

Senator NELSON. Yes.

Your statement will be printed in full in the record at the conclusion of your testimony.

Mr. EDELMAN. Let me say first, Mr. Chairman, that the reason I am here is that the division for youth in the State of New York has the primary responsibility for providing service to the young people who get into trouble in New York State. So I am responsible for some 5,000 youth, juvenile delinquent, and status offender youngsters, who are under my care and supervision, or that of my employees, at the present time, and for whom we see job opportunities and associated education and training as absolutely crucial if they are going to have any future.

Second, we are the reimbursers, if you will, for the youth bureaus around our State, at the county and municipal level, that provide youth services, and again through that constituency we really see the problems of young people and how critically important this legislation is. That is why I am here.

I would echo what other witnesses have said, that to begin with, while these proposals of the President are things we all applaud, and we applaud your leadership and that of your colleagues in this area, the program could even now be bigger, and so I would associate myself with the Javits-Humphrey amendments in terms of those kinds of numbers.

I have the concern which others have expressed, that at the local level there should be some kind of entity to affect the way the funds get distributed from the prime sponsor.

I would commend the sort of framework that Senator Cranston proposed in S. 20, adapted to this purpose, something involving participation from youth, youth serving organizations, individuals active in education and training and so on.

I think the Javits-Humphrey amendment is too narrow from my point of view, although it does look in that direction. I speak here of the Education-Work Committee aspect of their amendment.

We see at the local level the results of not having that sort of participation and the money, therefore, not really reaching those most in need.

I am very concerned, as other witnesses are, about the open eligibility features, as I guess I would call them, parts A and B. I really think we should have some targeting there. I understand the politics of all of that, but I think it is rather dangerous to have one set of programs that are middle-class programs and another set of programs that are income targeted. I think that we ought to heed Mr. Klein's recommendation in his testimony this morning that all the programs be limited to participants from families below the lower living standard budget.

I have made a slightly different suggestion in my text, but whatever the details, I think it is terribly important to try to target parts A and B. Otherwise, I am afraid that money may well not reach those who are most in need.

This comes, by the way, from someone who believes very strongly that we must come ultimately to a program of national service which does have breadth of opportunity. Right now we have a crisis in our cities and suburbs at the low income levels, and I think we need to respond to that.

I would also associate myself with Mr. Klein's comments about the need for assuring that juvenile offenders can participate, for obvious reasons.

I did not see them excluded in quite the same way that he did, as I read the bill, particularly as to part C, but anything that would highlight opportunities for them would be very helpful.

I guess the most fundamental thing I would say—and here I am echoing what Mr. Wolfbein said—is that I hope the committee and the Congress will make it clear in all of this that what they want is really a new departure.

This program should be something that recognizes the structural nature of youth unemployment and responds to the basic educational deficiencies of so many young people that are going to keep them out of the primary labor market for their whole life if something is not done.

I think what we ought to be talking about, and what I hope will come from the committee and the Congress, is a program of jobs plus education plus career development. I think that meld is absolutely crucial.

I think in that respect, according to those criteria, parts A and B are particularly disappointing, and I would hope the committee would look at them in the light of the fact that they really do run the danger of creating positions for a year with no outcome in terms of associated education, career development, and placement of participants.

I would urge the committee to look at perhaps dividing part C. I am particularly concerned about the kids who are really out. We see these kids in the division for youth all the time.

These are the kids who are reading at the third or fourth grade level—they are there. It is really tragic, and I think it might be well to demand that of the part C money that is targeted to the primes, some of it should go to a basic program for kids who are really very behind, with very intensive supportive and remedial services attached to the work aspect of it, and maybe those young people would be allowed to

participate for a second year in the program, perhaps at a less intensive stage.

I think we run a danger, on the one hand, of being too middle class with some of it. We also run a danger of kind of creaming, on the other hand, so that we may well not reach those kids with the deepest need.

I also seriously wonder about having 22- and 23-year-olds in there, even if it is discretionary with the Secretary, as the bill provides.

Senator NELSON. At what age level would you stop it?

Mr. EDELMAN. I would stop at the 22d birthday, Senator, with this program. It is not to say that there is not a problem above the 22d birthday. I am talking about priorities.

I would include 14- and 15-year-olds for sure, but only for part-time in-school work.

I would pick up something like the Javits-Humphrey proposal in that area, with a set-aside for part-time in-school work, not limited to 14- and 15-year-olds. But as to 14- and 15-year-olds I would only allow them to participate in part-time in-school work.

One place where I differ from the previous witnesses from the cities and counties is that I think, if anything, maintenance of effort should be strengthened. I appreciate and agree with the fact that many of the primes have shown great interest in youth, but I still think maintenance of effort should be clearly stated in the law.

I support the testimony of other witnesses that there should be a private enterprise element to all of this, perhaps through a carved out piece of the Secretary's demonstration money, or through another title or subtitle.

But I am not looking at big business, Mr. Chairman. I do not see that we are going to get manufacturers to pick up kids 16, 17, and 18 years old even if we lower the minimum wage, and I am opposed to that. What I am talking about are small service establishments.

There is some experience in this, and I am thinking of the open roads new jobs program in California. I think we ought to look at using at least some of the discretionary money to encourage almost a new apprenticeship kind of experience.

I think the construction in S. 170 is one that is worth looking at in that regard.

Finally, again differing from previous witnesses, I strongly support the amount of discretionary money that is contemplated here for the Secretary.

I think, though, that if he is going to divide it up three-quarters for primes and a quarter for others, as in the bill, we might as well adopt the position of the mayors and the counties and give 75 percent or whatever to the primes.

But it seems to me we might say, let us take this discretionary money and let us try some different things, maybe a quarter of it for interesting things that the primes propose and maybe a quarter of it to State and local public agencies other than primes, but including community colleges and educational institutions, maybe a quarter to nonprofit organizations, and a quarter to be split as the Secretary chooses. I think we can usefully spend the amount of money the administration proposes for discretionary projects if we look at it that way. And I would urge you to do so.

Those are the main issues I raise.

I would say more broadly, in conclusion, that I hope you agree with me that this is really only the beginning. We are coming to a major reexamination of CETA, and with your leadership, as you have in the past, I think we can take what we start here to build toward really a new youth initiative for the country. That involves not only insistence that this is not just a jobs problem, but it is a jobs plus education plus career development, picking up kids who have fallen out of the education system and trying to give them another chance.

And we must also look to HEW. I am very grateful in that regard that you had Steve Bailey to testify and I am pleased with his testimony. I think that Secretary Califano needs to be pushed very hard to look at work-study and other relevant elements that are under his jurisdiction. At least in the full committee, the HEW elements are part of your responsibility as well.

I think, in summary, that this is a beginning. I think it is a constructive beginning, but I hope you agree that this is only the beginning of a look at our youth policies generally in this country.

I appreciate the opportunity to testify.

[The prepared statement of Mr. Edelman follows:]

Testimony of
Peter B. Edelman, Director
New York State Division for Youth
Before
U.S. Senate
Subcommittee on Employment, Poverty, and Migratory Labor
Washington, D.C.
April 21, 1977

Mr. Chairman and Members of the Committee:

I appreciate the opportunity to testify today regarding President Carter's proposals and related measures to begin coping with the serious problem of youth unemployment in America.

Before turning to specifics, I want to stress the magnitude of the problem. We could use up the President's proposed 200,000 youth jobs, and then some, in New York City alone, just dealing with youthful high school drop-outs and underprepared high school graduates who have no prospects.

Nonetheless, even though the President's proposals are but the smallest beginning, they are a beginning in the right direction. Coupled as they must be with all of the other complex attributes of a full employment policy, and with greater resources to be invested in coming years, they have real promise.

There are, however, a number of key aspects of S.1242 which I hope you will consider amending as you proceed.

First is the amount of funds contemplated. I believe the level of funding proposed by Senators Javits and Humphrey in Amendment No.184 - \$1 billion this year and \$2.5 billion next year - is practicable within current fiscal constraints, especially after the demise of the \$59 rebate, and is a much more realistic down payment toward a serious response to

the problem.

Second, there is a key issue as to how the new funds under Part B and relevant portions of Part C will be distributed locally by the prime sponsors. Without casting aspersions on the performance of any particular prime sponsor, it is clearly the case that too many prime sponsors have been less than totally effective in seeing that CETA funds get to those who need help the most. I strongly believe the prime sponsor mechanism should be supplemented by some additional distributional entity which includes required participation from youth, youth serving organizations, individuals active in education and training, and the general public. The Cranston-Kennedy Bill, S.20, contains a mechanism (Section 102(d), pp. 4-6) that could easily be adapted and engrafted on to the local prime sponsor structure for this purpose. The Education-Work Committee suggestion in the Javits-Mumphrey amendment is a helpful construct as well, although as designed it is far too narrowly composed of traditional school, employee, and trade union interests, and would not produce the diversity of comment and participation that I think is essential.

Third, I am concerned about the "open" eligibility features of Parts A and B. While I am a firm advocate of an ultimate pattern of national youth service opportunities that is open to young people from all backgrounds, I think the lack of priority-setting in Parts A and B, especially when contrasted with the strong poverty-oriented emphasis of Part C, is likely to have an income-segregative effect. Given the relatively small size of the over-all program under consideration, I would urge addition of a requirement that at least three-quarters of the participantsⁱⁿ programs

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under Parts A and B come from families with incomes below 70 percent of the lower living standard income level.

Fourth, it would be worthwhile to consider some greater specification in the design of that portion of Part C which contemplates distribution of funds by prime sponsors, and for that matter in the design of Parts A and B. Let me state my fear in extreme terms. If these new funds result in putting young people on a pay-roll doing make-work for a year without any associated attempt at education and training, and just as important, without associated credentialing, career development, and placement, the program will fail. Participants will simply be recycled to the street, presumably, if anything, even more bitter and cynical than when they began. Yet this is certainly an all too possible outcome if the bill is not tightened considerably, especially in Part A, but really throughout.

Thus I hope the bill and the accompanying legislative history will make absolutely clear that Congress wants a new departure, one that recognizes the structural nature of youth unemployment, one that responds to the basic educational deficiencies of so many of the youthful unemployed which may well permanently prevent their participation in the primary labor market unless a remedy is provided.

What I hope you will enact, in all parts and portions, is a program of jobs plus education plus career development. It should put young people to doing real work at jobs that to the largest extent possible are designed to facilitate related long-term employment. It should be accompanied by education to the same end and largely delivered by existing

educational institutions which are drawn outside of their four walls and toward these new clientele by the magnetic effect of the resources offered under this new legislation. It should have a similar effect in the areas of placement and counselling.

Take a look at Parts A and B and see how you think they will function by these criteria. Part A is totally silent, and Part B has only the general language of Sections 815 (b) (2) and 817 (b) (2). Part C at least contains considerable language of linkage, but there what I fear is that we have the words but not the music. Some of the prime sponsors will dance only when the tune is very catchy.

More specifically, I wonder if it would make sense to divide Part C into more intensive and less intensive portions. We see young people every day in our agency who are reading at third and fourth grade levels but are capable of real progress with special help. It might be well to insist that every prime sponsor devote a significant proportion of its funds - perhaps a third - to "basics" programs for those with the most severe educational deficiencies, where their work experience will be accompanied by an intensive remediation effort designed with special care. Participants in the "basics" program might then be allowed to graduate to a second year of involvement, this time in the less intensive work/service/education meld if they are ready.

Fifth, I would like to see greater clarity in the age qualifications for the program, in two respects. One, I think those who are 22 and older should be excluded. They are more a part of the adult scene than the youth scene even though the transition may not be complete for all, and I think their participation at the levels of funding contemplated will take away scarce resources from others who need them even more.

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Two, I think 14 and 15 year olds should be definitely included, but only for part-time in-school programs. Also, I support the Javits-Humphrey amendment to make a portion of the funding available for in-school programs.

Sixth, while it is generally contemplated that current efforts for youth in existing CETA titles are to be maintained, it should be made unmistakably clear that prime sponsor maintenance of current federal dollars invested in youth must occur.

Seventh, I believe the program should have a private enterprise element. Both S.20 and S.170 contemplate this, and I hope the committee will consider adding it. Displacement of adult workers must not occur and the minimum wage must not be compromised. And I want to be clear that I do not expect that major manufacturers will suddenly become willing to hire teenagers. But I think there are smaller employers, especially in the services sector, who would take on young people as what would amount to apprentices in circumstances where they would not otherwise be hiring, where such a job experience for a young person might well lead to a permanent job, and to career development. The design in S.170 lays out the elements of cost which would be reimbursed while making it clear that the wage itself would not be subsidized. In addition, I think the idea, implied in S.170, of having the prime sponsor contract with non-profit agencies which will in turn place young people in the private employment situations while arranging for the associated education, training, and supportive service needs of the individual, is a very constructive way to proceed.

Eighth, I believe the Administration proposal for the very significant amount of money to be placed in the hands of Secretary of Labor Marshall for his distribution is salutary. With all of our experience in the sixties

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and with all of the pilot programs which we know did work and which we then failed to replicate, we nonetheless know far less than we should about what kinds of models work best and should be replicated nationally. Giving the Secretary and the new Administration substantial funds to do really extensive demonstrations - second-stage demonstrations of things that were piloted on a small scale earlier, if you will - is important in taking us to the kind of long-range program that we need to have.

Nonetheless, I am opposed to the obligation which S.1242 places on the Secretary to distribute three-quarters of the discretionary money through the prime sponsors. I am equally opposed to the Javits-Humphrey amendment to cut the Secretary's discretionary funds in half. I would keep the discretionary funds at the proposed level but distribute differently: perhaps a quarter to prime sponsors, a quarter to state and local public agencies other than prime sponsors, a quarter to private non-profit organizations, and a quarter as the Secretary deems appropriate. This breadth of distribution will help foster a variety of innovations in delivery structure as well as content.

If these ^{are} issues that must be addressed in connection with the pending legislation, it is not too early to place them in a larger context as well. For I expect you will be considering a larger program within the next year. The Administration apparently intends a fundamental re-examination of CETA in the next session of Congress, contemplating its going into operation ⁱⁿ the fiscal year beginning October 1978. So, if the current proposals are only a beginning, it is clear that there is an intention to take them to their next step of development very quickly, and we must begin discussing that even now.

First, we must bear the size and scope of the problem in mind. Of course no attack on the youth employment problem will ever achieve meaningful dimension if there is not a concomitant program on the adult side. If we do not provide jobs for heads of households, we will never be able to develop political support for a program of meaningful dimension on the youth side. But, given the dimension of the problem, a program which runs at a million slots on an annual basis nationally would be a minimum. Even more important is the need to recognize that what we must design for the future is the meld of jobs and service plus education, plus career development which I call for a few minutes ago. The narrow compartments of the past simply will not do. If we are to remedy educational deficiencies and provide jobs doing real work in the national interest while helping young people to pursue further training or career development as an outcome, we will have to transcend the labels of manpower and training and vocational education and all the rest.

Second, we must begin to look at the responsibilities of other agencies, especially the Department of Health, Education and Welfare. Thus far, the major initiative, understandably, has centered on the Department of Labor. But, HEW distributes money in the name of such worthy endeavors as work-study and cooperative education, and it is past time to recognize that, in relation to the complexity of the problems faced by young people in America, there is a major educational reform agenda. Federal support can help to legitimize further the concept of experiential education, breaking down, in effect, the four walls of the school to enable young people, with appropriate academic supervision, to learn by doing in the outside world. In the past, however, work-study programs have largely

been confined to on-campus experiences at the post-secondary level. Cooperative education has received only token support from the federal government. If we do nothing else in the area of education during these first four years of the Carter administration, we should make a major effort to legitimize the idea of learning by doing. Indeed, I am sure that community colleges, especially, and other educational institutions as well, would reach out to enroll students who find it inconvenient or uninviting to come to conventional classroom settings if support were available to bring the classroom, or the learning process, to them while they are employed in some service activity that is related to their learning agenda.

Third, congressional oversight activity and executive planning, as well, should be devoted to achieving an overview of what government policy is doing and not doing in regard to young people. There are activities that relate to young people in literally dozens of federal agencies. Yet no one has overall cognizance of those activities, or has undertaken an overall examination of how those things either fit or do not fit together. It is time that that be done, however, whether through the creation of an office at the White House level, or the assignment of staff from the Domestic Policy Council, or through the Office of Management and Budget, or in some other way.

Last, while I think we would all agree that the highest priority in the short run is to get the experience of jobs and the associated, essential education and training to those young people who constitute the tinder box of our inner cities, and to the out-of-school, out-of-work young people wherever they are, I would hope that we would also agree that, for the long run, the concept of national service for young people should be broader in

its applicability. Politically, a program with a broader constituency will be a program with better support and more of a long-range chance of success. And, we must not forget that there are hundreds of thousands of young people around the country who want to believe in America, and who want to serve their fellow citizens if they could have the opportunity to do so. The experience of having young people from various backgrounds working side by side and learning about each other is not to be discounted either. So I would urge you as members of Congress, as well as the Administration, to look at the question of national service in its broadest application - a priority on jobs in national service with associated education for those who are out of the economic mainstream and a focus as well on tapping the idealism and the energy and the vitality of young people who might believe somewhat more in their country if it would enlist their motivation and capacity to serve.

I appreciate the opportunity to have offered these thoughts today.

Senator NELSON. Thank you very much, Mr. Edelman, for your very thoughtful suggestions.

I appreciate your taking the time to come down and testify. Thank you very much.

Mr. EDELMAN. You are welcome.

Senator NELSON. Our next witness is Mr. Manuel D. Fierro, National Congress of Hispanic American Citizens.

Mr. Torres, I understand you are presenting this testimony on behalf of Mr. Fierro.

STATEMENT OF ARNOLDO TORRES, LEGISLATIVE ASSISTANT, NATIONAL CONGRESS OF HISPANIC AMERICAN CITIZENS, ON BEHALF OF MANUEL D. FIERRO

Mr. TORRES. My name is Arnolando Torres, and I am legislative assistant of the organization.

Since there has been a lack of representation on behalf of the Hispanic population regarding youth employment, I would appreciate it if I could read the text of the testimony. It is only seven or eight pages.

Senator NELSON. Go ahead.

Mr. TORRES. On behalf of our 25-member national board of trustees and the 125 participating National, State, and local Spanish-speaking organizations, I thank you for this opportunity to appear before you today regarding the serious matter of youth unemployment and the various legislative approaches aimed at remedying this ever-growing cancer.

I will direct my comments to specific characteristics of the Hispanic population and the need for youth employment programs to adequately and effectively address these needs.

For many years now, Congress has been developing legislation to deal with the chronic unemployment problems of this Nation. After witnessing the spending of billions of dollars to supposedly train the economically disadvantaged, we can see very little significant benefit to those requiring such assistance.

While it is easy for many to allow such a travesty to continue, our community can no longer tolerate such neglect and abuse. I make this strong statement because a close examination of the facts substantiates our contention that manpower programs, such as the Comprehensive Employment and Training Act of 1973, CETA, have seriously failed to provide the chronically unemployed Hispanic with any marketable skill in order to surface from the ever surrounding malady of poverty.

Economic reports indicate that in 1976 Hispanics experienced an unemployment level 50 percent higher than that shown by the total work force.

In 1976, Hispanic unemployment was 11.5 percent, with total U.S. unemployment at 7.7 percent. A glaring fact of Hispanic unemployment is that in a span of 2 years, it has increased 35 percent, jumping from 8.2 percent at the end of 1974 to 11.1 percent at the end of 1976. If the Hispanic unemployment figure for the first quarter of 1977—12 percent—is an indication of what the future holds, our peo-

ple will continue in the depressing and infectious environment of poverty.

In examining median income levels for Hispanic families, we find a pattern of economic denial. Most recent reports show that the income gap for a Hispanic family has widened when compared to all families. Over 7 years ago, the gap was 28.5 percent, in 1975 it worsened to 30.1 percent. This fact indicates that Hispanic families have been earning \$4,170 less than other families.

In 1975, the median income for Hispanic families was \$9,550; for all families it was \$13,720—an increase from \$12,800 in 1974.

Likewise, in 1975, 25 percent of all Hispanic families, or 627,000 family units, were below the low-income level, contrasting with 11.6 percent of all families below the low-income level.

I mention the economic status of Hispanic families for it helps to illustrate the need to adequately and effectively provide youth employment programs to the economically disadvantaged in this country.

Furthermore, Hispanic youth is the Hispanic family. In March 1974, the median age for a Hispanic family was 20.9 years as compared to 28.9 for the total population. Also, 13 percent of the Hispanic population under 5 years of age, compared to the total population where only 8 percent were under 5 years of age.

The youthfulness of our families is demonstrated in the makeup of the family where a substantial proportion, 42 percent, are under 18 years of age.

When we look at unemployment figures for Hispanic youth in 1976, we find that 23 percent of the 16- to 19-year-old Hispanic youth were unemployed. The nearly 125,000 Hispanic youth in this age group are joined by 16 percent of those aged 20 to 24—another 150,000 individuals who are able, other families.

When we look at unemployment figures for Hispanic youth in 1976, we find that 23 percent of the 16- to 19-year-old Hispanic youth in this age group are joined by 16 percent of those aged 20 to 24—another 150,000 individuals who are able and willing to work but are unable to find jobs. In looking at the unemployment figures for the first quarter of 1977, we find 19 percent of Hispanic youth unemployed. Those from the ages of 16 to 19 are the hardest hit—26.2 percent unemployed. Those aged 20 to 24—14.7 percent unemployed.

This phenomenon of high youth unemployment, presently more than twice the national unemployment rate, is a chronic problem long overlooked. However, unemployment serves as only one aspect of a larger problem of inadequate work opportunities for Hispanic youth.

In addition to the 275,000 unemployed on the average during 1976, a number of Hispanic youth outside the labor force wanted a job but were not looking for one because they had concluded that none was available for them. Other Hispanic nonparticipants who wanted jobs were in school, temporarily ill, or disabled, had family responsibilities, or had other reasons for not looking for work.

If the job market were better, a large proportion of these youth would enter the work force.

These facts provide us with statistical outlines of the economic problems of Hispanic families as well as the employment dilemma of

Hispanic youth. It is a situation where the family is young and large with usually only the head of the household gainfully employed due to inadequate job opportunities for the youth.

It is truly unfortunate that Congress has just now begun to move on legislation concerning youth employment. We, as a society, have had to witness a horrible increase in juvenile crime before this occurred. Many of us here are fortunate not to have personally suffered from the indignation and ire of today's youth—which, in many instances, is tearing up our cities and terrorizing many defenseless persons. Many are skeptical, and reluctant to make moneys available for youth employment programs because they view it as an unnecessary waste of the taxpayer's money.

Many skeptics feel that by doing away with child labor laws, unemployed youth will gladly fill the many job openings this action would potentially create. For these individuals, we suggest that they spend time with chronically unemployed families and youth and examine once again the data we have presented regarding the economic status of Hispanic families and youth.

We are strongly in accord with the need to establish a youth employment program. However, there are a number of concerns we have with the administration's bill, S. 1242.

It is our understanding that this proposal was developed for the purpose of providing employment skills and opportunities for disadvantaged youth. However, upon examining this bill, we believe little will be done to effectively deal with the youth unemployment situation if passed as it presently reads.

Part A, entitled "National Young Adult Conservation Corps," makes no mention of focusing attention on disadvantaged youth. We are well aware that ethnic youth minorities are the hardest hit by youth unemployment, yet there is no effort to target this program toward these groups.

Furthermore, what validity, what attraction does working in the outdoors have for a ghetto or barrio youth?

Will this work experience provide them with a job skill they can peddle in the labor market after a period of a year in the program?

Is it the intention of the Department of Labor to convert parts of Chicago, Seattle, the Bronx, Los Angeles into National or State parks?

In discussing part B, the youth community conservation and improvement projects, again we see no targeting of program monies to disadvantaged youth.

We see in section 817 (2) that "eligible youths can receive credit from the appropriate educational agency or school involved."

Are we to believe that bilingual instruction will be utilized in this situation?

Will job skill training be provided by bilingual instructors and will bilingual materials be used for assuring Hispanic youth equitable employment development and opportunities?

In addition, we do not see the rationale behind establishment of parts B and C programs. Perhaps a more feasible approach is to incorporate the youth community conservation and improvement projects into the comprehensive youth employment and training programs.

While this legislation provides for the inclusion of in-school youth and gives the Secretary of Labor regulatory discretion for bringing them into the programs, it fails to establish an in-school youth project.

We recommend that parts B and C be incorporated with an in-school program added to the package.

Another major concern of ours is that migrant youth, perhaps the hardest hit by a bleak economic and employment picture, are totally omitted from this legislation. There are no provisions which address these needs, there is a blatant neglect of dealing with migrant youth unemployment problems. Also, the problems encountered by non-English speaking youth are not addressed sufficiently by this legislation.

Bilingual instruction is needed to enable many members of our community to rise above the flood of poverty. Furthermore, there is little utilization of CBO's in carrying out this program. These organizations' role must be expanded for they are most closely associated to the problem at the community level and can provide much needed assistance.

As the legislation now stands, youths in the program can look forward to being employed for a year's period during which time they will be provided with some career guidance and counseling. What happens to the participating youths upon termination of the program is not addressed in the present legislation.

A realistic program developed to alleviate the problems of poor and minority youth must:

First: Include effective, long-range career guidance and counseling.

Second: Assure that better paying jobs with opportunities for upgrading are open to all qualified persons.

Third: And target funds to those most in need.

Also it must provide for a well-planned in-school employment training program, for the educational system has processed a large number of young people who are unprepared to enter the world of work, or to deal with changing social values. This legislation, in our opinion, leaves much to be desired in this respect.

While there seems to be agreement that youth unemployment is a structural problem in nature, why are we being presented with a legislative proposal which resembles a countercyclical project?

We must not allow political expediency to determine the fate of our unemployed youth. It is imperative that a youth employment program be constructed with grave attention being given to needs assessment, intergovernmental coordination, and the errors encountered by general manpower programs of the past.

What we seem to have here is an attempt to throw money at the unemployed youth problem for a short period, without properly considering or consulting the facts and organizations closely associated with the problem. The result, an additional title to CETA which fails to establish the necessary mechanism to bring youth unemployment into a workable perspective.

We cannot afford to take such an insensitive approach to the problem, for to do so means the perpetuation of today's realities—juvenile crime, historical poverty of families, urban decay, disintegration of the family unit, racism, and discrimination.

All of these illnesses will follow us into the next century for they are what many of our youth today are having to live with.

I do not say this for the purpose of an emotional appeal, but rather as a statement of the realities facing our community and others.

Andrew Young, U.S. Representative to the United Nations, has commented in regards to youth unemployment. "They—unemployed youth—will do something. The question, I think, that is put before the Government is, will they be encouraged to do something constructive and creative, or will they be allowed to sink into chaos and destructive activity and become part of a criminal counterculture that we will spend far more money to try to counteract. I think very simply that is the choice that is before us."

Thank you for this time.

Senator NELSON. Thank you very much for your very thoughtful criticisms of the proposal.

The committee will take them into consideration as we mark up the bill.

Mr. TORRES. Thank you very much.

Senator NELSON. We will resume hearings at 9:45 a.m. tomorrow in the Human Resources Committee hearing room in the Dirksen Building.

[Whereupon, at 12:35 p.m., the subcommittee recessed, to reconvene at 9:45 a.m., Friday, April 22, 1977.]

YOUTH EMPLOYMENT AND TRAINING ACT OF 1977

FRIDAY, APRIL 22, 1977

U.S. SENATE,
SUBCOMMITTEE ON EMPLOYMENT,
POVERTY, AND MIGRATORY LABOR OF THE
COMMITTEE ON HUMAN RESOURCES,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10:05 a.m., in room 4232, Dirksen Senate Office Building, Senator Gaylord Nelson (chairman of the subcommittee) presiding.

Present: Senators Nelson, Riegle, Javits, and Stafford.

Senator NELSON. Our first panel of witnesses this morning is composed of Senator Bellmon, Senator Domenici, and Senator McClure.

Gentlemen, your statements will be printed in full in the record and you can present them however you desire.

The committee is pleased to have you here this morning. Proceed at will.

STATEMENTS OF HON. JAMES MCCLURE, A U.S. SENATOR FROM THE STATE OF IDAHO; HON. HENRY BELLMON, A U.S. SENATOR FROM THE STATE OF OKLAHOMA; AND HON. PETE DOMENICI, A U.S. SENATOR FROM THE STATE OF NEW MEXICO

Senator MCCLURE. Thank you very much, Mr. Chairman. My statement is very brief.

My experience is that oftentimes when you paraphrase a short statement, the paraphrase takes longer than the reading. I will not burden you that way.

I appreciate the opportunity to appear here today to discuss youth unemployment.

As the need for legislation in this area is well documented and has been discussed in detail on the Senate floor as the various bills have been introduced, I will confine my remarks to consideration of the specific provisions of the legislation.

As a strong proponent of legislation to address the problems of unemployed youth, I am gratified by the timely response of the Human Resources Committee and the plan to move ahead in this area as quickly as possible.

The amalgam of youth proposals in Senate bill No. 1242, the Youth Employment and Training Act of 1977, is a comprehensive approach with many commendable components. I was particularly pleased that part C of the bill incorporates much of S. 503, the Youth Employment Act, which I introduced with Senators Domenici, Bellmon, and

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Javits. I was also a cosponsor of the Stafford-Randolph bill, which was the precursor of part B of S. 1242.

While I basically support the approach of S. 1242, there are several areas which I feel can be improved. The basic approach to part C of the bill is similar to S. 503 in that funds are provided to CETA prime sponsors to support a broad range of manpower services. The actual mix of services in any given area can thus be based on the needs of the local labor market.

While I wholeheartedly endorse this approach, I believe that the eligible activities should be expanded to provide incentives to private employers to train or employ unemployed or low-income youths. I refer the committee to subsections 8 and 9 of section 701(b) of S. 503.

The emphasis on training and job creation in the private sector contained in these sections should be incorporated in the final committee bill.

Permanent and meaningful employment for our young people must ultimately be found primarily in the private sector. Increased interaction between the manpower service programs and the private sector should result in greater freedom of selection for young people, more relevant training to match job opportunities, and greater likelihood of moving our youth into gainful employment in the private sector. I ask the committee to add language which provides a greater focus on the private sector.

Several other problems I find with the bill have been addressed by Senators Javits and Humphrey in amendment No. 184. The allocation of funds for youth unemployment programs should be based on the number of unemployed and low-income youth rather than on unemployed and low-income persons.

The amendment which provides 50 percent of the funds on the basis of low-income youths should be adopted.

In addition, a minimum of 75 percent of the part C funds should flow by formula to prime sponsors with a maximum of 25 percent of the funds available for DOL discretionary grants.

S. 1242 authorizes such sums as are necessary to carry out the purposes of the act. A specific number of dollars is preferable, and I support Senator Javits' recommendation of \$1 million in fiscal year 1977 and \$2.5 billion in fiscal year 1978. This authorization should be broken down further by part, and I support the amendment level of 23 percent for part A, 17 percent for part B, and 60 percent for part C.

Again I thank the committee for the opportunity to testify, and I look forward to committee action on this issue.

Senator NELSON. Thank you very much, Senator McClure.

Senator Bellmon.

Senator BELLMON. Thank you, Mr. Chairman.

I concur with my colleague from Idaho in that I appreciate the opportunity to testify, and I also want to associate myself with his remarks.

Additional focus on private sector incentives to hire youth will enhance the youth unemployment legislation. I also favor the allocation changes in the Javits-Humphrey amendment as discussed by Senator McClure.

I, too, support legislation to address youth unemployment, but there are specific provisions before the committee which I find troublesome and which I want to call to the attention of the committee.

S. 1242 provides programs only for out-of-school youth. The Javits-Humphrey amendments provide for a 15 percent set-aside for programs for in-school youth to be jointly coordinated by the prime sponsor and the local education agency.

While the amendment improves the legislation, I do not believe it completely solves the very serious problem in regard to public school involvement in the youth unemployment program.

A youth bill which ignores the public education agencies is not desirable. Prime sponsors must work in concert with local education agencies to avoid duplication of effort in regard to services now available in the schools.

With local resources and State and Federal vocational education resources, many local education agencies are providing training, counseling, and placement services. Any new services should be coordinated with such existing activities and the excessive costs of dual delivery systems should be avoided.

In the past, vocational and other education programs and job creation programs have operated independently of one another for the most part. When support for work study programs has been available to education systems—as in part H of the Vocational Education Act—the schools have been hampered by matching requirements, youth salary restrictions—\$45 per month under part H—and lack of administrative and counseling support.

Job programs outside the schools have often competed with the schools and have stimulated school dropouts as disadvantaged youths actually leave school in order to qualify for the more lucrative work programs. All too often, these youths are returned to the ranks of the unemployed once the public subsistence program has ended.

We must put an end to the incentive to drop out of school in order to take part in a jobs program. We are simply worsening the long-term problem when we fail to provide the education and training necessary to continue employment and to transit youth served from the public to the private sector.

I feel it is appropriate for in-school youth to be served and language should be provided which requires that in-school youth must remain in school in order to be eligible for the program.

The provision in S. 1242 which encourages that academic credit be given for training programs is desirable. However, I must strongly oppose the mandate that Federal regulations should be promulgated for providing such credit. Granting of academic credit is a State and local prerogative, and the Federal Government has no business usurping this role.

I urge the committee to delete the provision requiring Federal regulations. All decisions on provision of academic credit should be left to the appropriate State and local agencies.

I want to express my thanks again to the committee, and I request your consideration of the concerns I have outlined.

Senator NELSON. Thank you, Senator Bellmon.

The staff has been instructed that each of the specific recommendations that are made by the witnesses at the hearings be noted in sum-

mary form so that when the markup comes we will be sure to have each of the recommendations readily available.

Senator DOMENICI.

Senator DOMENICI. I, too, Mr. Chairman, and members of the committee, want to express my appreciation for this opportunity to discuss youth unemployment and a CETA bill.

Mr. Chairman, I support the expansion of the CETA program into the field of youth employment, but I will not go into detail since most of my concerns have been expressed by Senators Bellmon and McClure.

With the Chair's permission, I would like to direct my attention to another area of grave concern that I have. It is included in my prepared statement. Let me just tell the chairman how I happened on to it.

As we proceeded, Mr. Chairman, through the budget process, I began to analyze what we were doing nationally in a countercyclical or antirecessionary endeavor to help local units of government.

We were debating and considering simultaneously Federal assistance to public education in our country. As we proceeded through the various programs of assistance to local governments, cities, counties and even States, a litany of tools of assistance appeared. Public works, countercyclical revenue sharing, and CETA public service jobs are being focused on the cities, counties, and towns, and it dawned on me that I ought to take a look and see what was happening to local public schools.

On that score, Mr. Chairman, my statement, I believe, adequately reflects two things. One, that there is a rather fantastic imbalance in terms of antirecessionary aids to local units of general government versus antirecessionary or countercyclical assistance to public schools.

I have stated those.

I wonder whether or not, looking at CETA, the public schools had something about their employment, the kinds of people, the niches that sort of made them not fit CETA. In my prepared statement I have outlined in detail my analysis. It comes out contrary to that.

The very kind of public service employment that we are helping cities and counties and States with, are also available in the public schools of America, everything from janitorial help to clerical help, to teacher aids. All of the types of positions that we are filling for our cities can be found in our schools.

My statement compares the number of employees, thus the burden of employment payment, of these two local institutions, public schools and cities. Our public schools are almost the equivalent in terms of personnel of the employees that are hired by other units of local government.

When you put that into perspective and then look back at the second issue, which is what condition has the recession imposed on schools vis-a-vis local units, we find that there is very little reason or rationale to explain why we proceeded through this recession to this point, to once again emphasize local units of Government to the almost elimination of public schools.

So, in summary, what I propose, Mr. Chairman, is that we do not leave the assistance that public service jobs give, as far as our public schools, up to some local unit that might just find a few niches for the schools. I strongly recommend that in the new authorization that we consider a specific percentage of the CETA public service jobs be allocated and set aside for the public schools.

My recommendation is 30 percent. The rationale for it is stated in my detailed statement.

That is not necessarily an absolute figure, but it appears to me that it is minimal.

I would hope that the committee, as it provides for more public service niches, will not be afraid to say we should mandate that a substantial portion of these go to the local public schools who, in my opinion, Mr. Chairman, find themselves at least as affected by the recession as cities and States.

I would think there is evidence today that they are in worse shape in terms of being able to make it through this recession.

So I urge that while we are considering the very serious problem of youth unemployment, and I commend the committee for its expeditious handling of it, that we focus some of our attention on the public schools' plight and allocate a substantial portion of CETA's slots to the public sector education agencies in the United States.

As the chairman indicated, I have a longer statement and it will be made a part of the record. I will not read it at this point.

I thank you and the members of the committee for the opportunity of expressing my views this morning.

[The prepared statement of Senator Domenici follows:]

STATEMENT OF SENATOR OF PETE V. DOMENICI
BEFORE THE HUMAN RESOURCES COMMITTEE

APRIL 22, 1977

MR. CHAIRMAN, AS AN ADVOCATE OF LEGISLATION TO PROVIDE PROGRAMS FOR UNEMPLOYED AND UNDEREMPLOYED YOUNG PEOPLE, I WANT TO COMMEND THE EMPLOYMENT AND POVERTY SUBCOMMITTEE FOR THEIR ACTIONS TO DATE IN NEGOTIATION WITH THE SEVERAL SENATORS WHO SPONSORED YOUTH BILLS AND THE ADMINISTRATION. I AGREE WITH THE MODIFICATIONS SUGGESTED BY SENATOR McCLURE AND SENATOR BELLMON, AND I WANT TO ADD MY SUPPORT TO THEIR RECOMMENDATIONS. AS A CO-SPONSOR OF TWO OF THE YOUTH BILLS WHICH ARE INCORPORATED INTO S.1242, I CERTAINLY PLAN TO SUPPORT THE HUMAN RESOURCES COMMITTEE BILL.

AS THE SUBJECT OF THIS HEARING COVERS CETA PUBLIC SERVICE EMPLOYMENT AS WELL AS YOUTH UNEMPLOYMENT, I WOULD LIKE TO DISCUSS A CETA PROBLEM OF GREAT CONCERN TO ME.

LOCAL EDUCATION AGENCIES EMPLOY APPROXIMATELY ^E ONE-HALF OF ALL LOCAL PUBLIC EMPLOYEES.

THE 1972 CENSUS OF GOVERNMENTS, PUBLISHED BY THE U.S. DEPARTMENT OF COMMERCE, DEMONSTRATES THE FOLLOWING COMPARISON OF LOCAL SCHOOL DISTRICTS EMPLOYMENT WITH GENERAL UNITS OF LOCAL GOVERNMENT:

STATEMENT OF SENATOR OF PETE V. DOMENICI

APRIL 22, 1977

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<u>NUMBER OF EMPLOYEES</u>	<u>COUNTIES</u>	<u>MUNICIPALITIES</u>	<u>SCHOOL DISTRICTS</u>	<u>% OF TOTAL</u>
FULL-TIME	1,369,000	2,376,000	3,587,000	48.9%
PART-TIME	1,777,000	1,920,000	2,710,000	46.7%
FULL-TIME EQUIVALENT	1,242,000	2,029,000	2,981,000	47.7%

IN ADDITION TO TEACHERS, LOCAL SCHOOL DISTRICTS EMPLOY A LARGE NUMBER OF CENTRAL OFFICE PERSONNEL, TEACHER AIDES BUS DRIVERS, CAFETERIA WORKERS, PARAPROFESSIONALS, AND BUILDING AND GROUNDS MAINTENANCE PERSONNEL (SUCH AS, ENGINEERS, JANITORS, GARDENERS, ELECTRICIANS, AND CARPENTERS.). IN FACT, ABOUT 30% OF ALL SCHOOL PERSONNEL ARE NON-PROFESSIONAL. THE POINT IS THAT LOCAL SYSTEMS CAN PRODUCTIVELY EMPLOY A WIDE RANGE OF PERSONS WHO ARE CURRENTLY OUT OF WORK, AS WELL AS PROVIDE JOBS WHICH HAVE FUTURE VALUE IN THE PRIVATE SECTOR.

SINCE APPROXIMATELY 1/2 OF PUBLIC EMPLOYEES ARE SCHOOL DISTRICTS, IT WOULD BE REASONABLE TO ASSUME THAT 1/2 OF PSE SLOTS GO TO SCHOOL DISTRICTS. THIS HAS SIMPLY NOT BEEN THE CASE.

WHILE NATIONAL DATA IS NOT AVAILABLE ON THE % OF CETA JOBS MONEY WHICH IS PASSED ON TO LOCAL SCHOOL DISTRICTS, IT HAS BEEN ESTIMATED AT LESS THAN 10%. DATA HAS BEEN COLLECTED FOR A NUMBER OF METROPOLITAN DISTRICTS AS SHOWN IN THE ATTACHED TABLES. SCHOOL DISTRICT PERCENTAGES HERE RANGE FROM 0% TO A HIGH OF 37%.

STATEMENT OF SENATOR PETE V. DOMENICI

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MUNICIPAL, COUNTY, AND STATE GOVERNMENTS HAVE RECEIVED ANTI-RECESSION AID FROM THE FEDERAL GOVERNMENT THROUGH A VARIETY OF SOURCES - REVENUE SHARING AND PUBLIC WORKS AS WELL AS CETA. OUR NATION'S SCHOOL DISTRICTS, ALSO HIT HARD BY THE RECESSION, HAVE RECEIVED VERY LITTLE FEDERAL ANTI-RECESSION ASSISTANCE.

FOR EXAMPLE, GENERAL REVENUE SHARING PROVIDES STATE AND LOCAL UNITS APPROXIMATELY \$6.8 BILLION OF "NO-STRINGS ATTACHED" ASSISTANCE EVERY YEAR. IN THE FIRST YEARS OF THE PROGRAM, ELEMENTARY AND SECONDARY EDUCATION RECEIVED ABOUT 7% OF THESE FUNDS IN THE NATURE OF NEW PROGRAM MONEY (AS DISTINGUISHED FROM TAX RELIEF). THE MAIN REASON FOR THIS UNDERFUNDING IS THAT LOCAL SCHOOL DISTRICTS ARE NOT ELIGIBLE AS DIRECT RECIPIENTS AND NEITHER THE STATES NOR GENERAL UNITS OF LOCAL GOVERNMENT ARE REQUIRED TO PROVIDE THEM WITH A MINIMUM SET-ASIDE. WHILE DATA IS NOT YET AVAILABLE, A SIMILAR RESULT UNDER THE \$1.25 BILLION COUNTER-CYCLICAL REVENUE SHARING PROGRAM WOULD NOT BE SURPRISING. FINALLY, UNDER THE PUBLIC WORKS EMPLOYMENT ACT, UNDER THE FIRST ROUND OF FUNDING, SCHOOL DISTRICTS RECEIVED ONLY 19% OF THESE FUNDS--AND THEN ONLY BECAUSE THEY WERE DIRECT RECIPIENTS.

STATEMENT OF SENATOR PETE V. DOMENICI

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WE HAVE SERIOUSLY NEGLECTED THE ECONOMIC PLIGHT OF OUR SCHOOLS DURING THE RECESSION. LOCAL SCHOOL DISTRICTS ARE THE MAJOR LOCAL GOVERNMENT EMPLOYER, THE DEMAND FOR PRODUCTIVE NEW POSITIONS EXISTS, AND FUNDS TO PAY FOR THOSE POSITIONS CANNOT BE RAISED WITHOUT LOCAL PROPERTY TAX INCREASES. THEREFORE, IT IS DIFFICULT TO UNDERSTAND HOW PUBLIC EMPLOYMENT CAN BEST SERVE THE ECONOMIC RECOVERY WITHOUT THE DIRECT INVOLVEMENT OF LOCAL SCHOOL DISTRICTS.

IN THE PAST TWO YEARS, CONGRESS HAS PASSED SEVERAL FEDERAL LAWS WHICH MANDATE INCREASED EDUCATION SERVICES WITHOUT FULLY FUNDING THESE SERVICES. THE S504 REQUIREMENTS TO REMOVE ARCHITECTURAL BARRIERS FOR THE HANDICAPPED, THE INDIVIDUALIZED PROGRAMS REQUIRED UNDER THE EDUCATION OF HANDICAPPED ACT (PL94-142), AND THE EXTENSION OF UNEMPLOYMENT COMPENSATION TO PUBLIC EMPLOYEES (PL94-566) HAVE PLACED ADDITIONAL BURDENS ON OUR SCHOOLS.

I BELIEVE IT IS TIME TO RECOGNIZE THE FINANCIAL PLIGHT OF OUR LOCAL EDUCATION AGENCIES. I INTEND TO OFFER AN AMENDMENT TO CETA TITLES II AND VI WHICH REQUIRES PRIME SPONSORS TO REDIRECT NOT LESS THAN 1/3 OF THEIR TOTAL CETA GRANTS TO LOCAL SCHOOL DISTRICTS LOCATED WITHIN THEIR RESPECTIVE AREAS. WHILE A 1/3 SHARE IS NOT FULLY REPRESENTATIVE, GIVEN THE PROPOSED EXPANSION OF THE PROGRAM FROM 310,000 TO 725,000 JOBS,

STATEMENT OF SENATOR PETE V. DOMENICI

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IT SHOULD OPEN UP SCHOOL EMPLOYMENT WITHOUT DISRUPTING EXISTING JOB COMMITMENTS FOR PRIME SPONSORS -- INCLUDING THOSE PRIME SPONSORS WHO ARE CURRENTLY PROVIDING ONLY MINIMAL ASSISTANCE FOR LOCAL SCHOOL DISTRICTS.

EDUCATION AGENCIES CAN PROVIDE MEANINGFUL EMPLOYMENT THROUGH THE PUBLIC SERVICE JOBS PROGRAM. EDUCATION AGENCIES ARE ACCUSTOMED TO SUPPLEMENTARY FEDERAL PROGRAMS, AND THEREFORE ARE NOT LIKELY TO SUBSTITUTE LOCAL FUNDS WITH FEDERAL FUNDS, THUS GREATLY DIMINISHING THE EFFECTS OF SUBSTITUTION IN THE TOTAL PROGRAM. AND FINALLY, LOCAL EDUCATION AGENCIES HAVE A GREAT NEED WHICH I BELIEVE THE CONGRESS HAS RESPONSIBILITY TO ADDRESS.

I URGE THE HUMAN RESOURCES COMMITTEE TO SUPPORT THIS PROPOSAL.



THE COUNCIL OF THE GREAT CITY SCHOOLS
1707 H Street, N.W., Washington, D. C. 20006 / (202) 296-8787

Local Distribution of CETA Funds

Fiscal Year 1975

	Total School Employees	Total Non-School Public Employees	Total School CETA \$	Total Local CETA \$	School % of Public- Employees	School % of CETA \$
Boston	14,000	15,168	\$128,415	\$17.3M	48%	.7%
Buffalo	6,196	6,616	\$177,950	\$13.2M	48%	1%
Chicago	49,853	45,000	\$1.7M	\$16M	53%	11%
Cleveland	12,466	11,400	\$4.6M	\$12.5M	52%	37%
Dade Cnty.	21,016	19,980	\$615,000	\$3.5M	61%	19%
Houston	13,877	13,471	0	\$16M	51%	0%
Long Beach	5,019	4,550	\$286,000	\$21M	52%	1%
Los Angeles	77,759	48,720	\$6.9M	\$42M	61%	16%
Memphis	10,466	7,400	\$115,554	\$6.9M	59%	2%
Milwaukee	14,400	9,700	\$673,000	\$4.6M	60%	15%
Minneapolis	7,400	7,463	\$580,000	\$4.4M	50%	13%
Oakland	7,000	4,422	\$2.8M	\$9.4M	61%	30%
Pittsburgh	6,493	6,076	\$551,841	\$7.4M	52%	7%
Portland	5,599	4,730	\$38,000	\$1.5M	54%	3%
San Diego	9,533	6,368	\$1.5M	\$6.9M	60%	22%
San Fran.	9,101	20,034	\$100,000	\$13M	31%	.8%
Tulsa	4,759	3,522	\$424,590	\$5.1M	57%	8%
Wash., D.C.	12,187	31,781	\$832,284	\$15.5M	29%	6%

March 5, 1975

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April 1977

School System	# of school employees	# of City employees	CETA Allocations to school system	CETA Allocations to prime sponsor(2)	School System % of CETA Allocations	School System % of Public Employees (3)	School System Budget	City Budget
Atlanta	8,469	9,000	\$ 1.9 million	\$ 21.1 million	9%	48%	\$108 million	\$100 million
Bade County	28,190	22,243	2.6 million	22.0 million	12%	54%	321 million	639 million
School Budget Situation: Anticipate terminating 458 teacher aides and 277 clerical workers next year to help alleviate estimated \$31 million deficit.								
Marion	11,838	7,318	1.4 million	11.6 million	12%	61%	132 million	129 million
School Budget Situation: Program cutbacks required.								
Minneapolis	7,491	5,500	2.7 million	13.3 million	20%	58%	85 million	70 million
School Budget Situation: Anticipate cutting \$6 million in services & salaries; 200 to 400 jobs will be terminated.								
Nashville	4,444	3,554	2.1 million	9.2 million	23%	36%	95 million	133 million
School Budget Situation: Anticipate program cutbacks but no employee terminations.								
Buffalo	5,749	5,818	.3 million	19.8 million	3%	50%	100 million	137 million
School Budget Situation: May have to terminate 400 to 600 teaching positions.								

(1) Includes prime sponsor grants to local education agency under Titles I through VI for fiscal year 1976.

(2) Includes total allocations under Titles I through VI for fiscal year 1976.

(3) Compares employees supported by local funds only.

Senator NELSON. Thank you, Senator.

On that chart, when you say "Atlanta, 9 percent," the school system percent of CETA allocation, 9 percent, that means the other 91 went to the city, is that what you are saying?

Senator DOMENICI. I am not prepared to say it all went to the city. But certainly it found itself where only 9 percent went to the school system, I would presume predominantly the rest went to the cities, but I do not have that.

Senator NELSON. The staff director advises me it went to the city, or from the city to some sponsor of some program.

I have never seen these statistics before, and I think you have done a very valuable service in calling them to our attention.

I suppose the problem is that the prime sponsor determines where the money should go—to the city's prime sponsor, or to the State or region—and so the prime sponsor I suppose is looking at the jobs immediately within its jurisdiction even though they are all the same taxpayers and they are all the same community. But you do need to have a prime sponsor.

As you may recall, originally in these programs we had 10,000 contractors trying to get that back to prime sponsors: down to 450 prime sponsors from 10,000 contracts. We've got 20,000 school districts.

Your proposal is simply to earmark a percentage?

Senator DOMENICI. And not to change the prime sponsor. They just would not have flexibility which you have described, which probably biased them toward looking at their own needs first.

I would say to the chairman, I find myself in a strange position on this, because as a matter of fact, the city of Albuquerque, while I was its mayor, actually was the first city to experiment with a prime sponsor, and the consolidation of CETA-type programs. CETA had many precursors, and we had four or five such training programs. As a result of an experiment between the Dallas regional office and our city, they caused a consolidation of job training moneys before you passed the law, and let the city of Albuquerque establish a council and a labor tsar.

He, with this council, which ended up being prime sponsor, administered all consolidated job moneys. I was a staunch advocate that the mayor ought to be in the middle of that, and ultimately it came out that way, and the cities or local units pursued that.

I would have assumed they might have treated the schools as well as they treat the city government. But I think the statistics and facts I have given belie that.

I would hope that we would not have to direct a percentage, but when I look at its history, I do not think it is going to happen unless the Congress directs some allocation. Mr. Chairman.

Senator NELSON. I see the problem. I have always got some problem with arbitrary, categorical percentage assignment.

As you will recall, when we had the general revenue sharing legislation 6 years ago, we earmarked the programs for which the money could be spent. I am against this type of assignment on the grounds that we are going to give revenue to a municipality, and they know better how it ought to be spent than we do. And if they do not, let the voters settle the question. So I oppose earmarking.

We went through 5 years of earmarking, and a lot of nonsense resulted from it. Because the funding was categorical, projects were often authorized by municipalities just to get their share of the money.

So I see some problem, I see the problem you raise, but I also see the problem with your solution in a precise amount allocation.

Senator McCLURE. Mr. Chairman, there is another aspect that he touched on in his prepared remarks, not oral presentation, that is the problem we are all concerned about in public service jobs, and that is how much substitution occurs.

I think he made some valid points, which I support, that the likelihood of substitution through school districts is perhaps less than the likelihood of substitution in other governmental units.

That is just a factor to consider as we go through this whole question of how we get the jobs where they ought to be.

Senator NELSON. I agree with you on the question of substitution. We had a big fight about that, as you also know.

The GAO report made reference to a report that was done before the program was tightened up, and I think we should have another look at the question of substitution prior to adopting any statutory language to require long-term unemployment, so that one could not go out 1 week later, or 2 or 3 weeks, and be hired back.

Senator McCLURE. We are actually seeing people go out the front door, and hiring them from the back door, from hard core unemployed, and I think the longer the public service jobs program goes, the greater that tendency and danger is.

As it begins to take on appearances of a permanent program, there is a tendency for local governments to at least, at the lower level of their employment hierarchy, engage in this substitution.

I hope that we can find a way to stop that. I think the tendency for the school district to do that is probably less than it is in other governmental employment.

Senator DOMENICI. I think your concern is a legitimate one about dictating where things ought to happen, what level. I share your feelings on revenue sharing. I think you must let them do the job, and there is more chance if they do it improperly, that they will get thrown out, then our categorizing would be right. So when I balance those, I would operate as you have.

But consider the facts of employment and the impact of the recession on the two vital services—that which a city does, and certainly that vital service which public schools do. When you look at that, obviously the schools are getting shortchanged as far as countercyclical or anti-recession monies.

I trust the ingenuity of this committee, if they conclude schools should get some more than they are, to find a way. When I use 30 percent in my proposed amendment, I am saying that that obviously should not infringe upon the local decisionmaking in an irrational manner, because one could almost say that it should be 50-50 when you look at the figures.

I think it is sort of a guideline saying we expect you to help both, and we do not want you to spend less than 30 percent on one that is on par with the cities and counties.

I understand the chairman's concern. But I think the proposal is so rational, that if prime sponsors knew your intent and our intent was to move in that direction, that 30 percent might really end up being a minimal figure as the program expanded in 1978.

Senator NELSON. The committee is flattered by your confidence in our ingenuity.

Senator JAVITS. Thank you very much, Mr. Chairman.

First, let me apologize to my colleagues for the need for going downstairs in connection with a markup of the Energy Department.

I have read the statements, and my assistant has recorded what was said.

I am very grateful for the fact that my colleagues concur in the idea of an in-school element to this youth measure. I have found their bill particularly resourceful, new ideas and new approaches, and their feeling that 75 percent of the part C funds should flow by formula to the prime sponsor.

But one final thing, Mr. Chairman, that I would like to emphasize, these three colleagues of ours have stood up valiantly for recommendations of our committee to the Budget Committee in connection with the first 1978 budget resolution.

I wish to point out that we suggested a high figure. I think a necessary one, \$2.5 billion. The President suggested only \$500 million. Through the efforts of our colleagues I believe we got that doubled to \$1 billion.

I would hope very much, Mr. Chairman, and I think I have demonstrated as much unpartisansip as anybody around here, that the President would reconsider this particular item himself, because with half of the unemployed in the youth field, and with what we now see his own findings, the economic conditions justify a less drastic approach to the tax stimulus that he originally had in mind, it seems to me that targeting becomes the number one priority.

And with all the targeting in terms of our country's resources, there is no better targeting than this one, with respect to all the other groups.

I would hope, Mr. Chairman, I should try with the President myself, and I hope others of my colleagues will, to revise his view on what is really needed for the 1978 fiscal year so we can have a real chance with the youth bill.

I would just like to ask my colleagues one question.

Your own experience with youth, does it parallel mine, that generally their reaction is, "Well, with all your programs, we still cannot find a job. We still cannot get a break. There is just not enough of us covered."

That is what I hear. "Just not enough of us covered."

That is true on the facts. Could you gentlemen comment on that?

Senator McCLELL. First, let me express my thanks to you, Senator Javits, for the help you have given us for presenting these problems within the Republican conference where we had extensive discussion about these problems, and you were very eloquent and very persuasive.

I think you are exactly right that one of our real problems is giving enough opportunity to enough young people, and the program obviously does not spread widely enough. That is why I was urging that we encourage the local prime sponsors to reach out into the private sector to expand the number of opportunities so that we can expand the number of young people that are touched by the program.

Let me give you one of my concerns that interrelates with this. That is what happened on the floor yesterday as we were talking about the tax legislation.

The House had suggested that private entities have the option of exercising an investment tax credit or to go toward a tax subsidy for employment. The action which we took yesterday certainly is not the final action on the tax bill, but it put a cap on the amount of money that an employer can take if he exercises the employment option. That greatly limits the number of people that will have the opportunity to get jobs because of employment incentive in the tax bill.

Now, if that is the final action taken in the tax bill, then there has got to be a greater reliance upon this kind of legislation. Again I do not know that that is final action, but it virtually mandated that the larger business of this country go the investment tax credit route instead of employment credit route.

Senator NELSON. You are talking about \$100,000 limitation in credit?

Senator McCLURE. Yes, sir.

Senator NELSON. That would be 50 employees?

Senator McCLURE. About 50 employees limit. The horrible example given yesterday is a company with \$11 million investment program last year, and they are obviously not going to involve themselves to the 50 employees because they are going to go the investment tax credit option.

If that is final action on the tax bill, then we have to rely on this kind of legislation even more.

Senator JAVITS. I voted that way, and I can give you my rationale.

My rationale was that a major company will not hire people for that particular credit and that this only applies to, regrettably, middle—

Senator McCLURE. I do not intend to be critical of the action taken on the floor, but I am saying that focuses attention on this kind of legislation.

Senator JAVITS. I want to answer that, because I think you have raised a very fine point. You know me well enough to know I never mind explaining myself. So that was one.

The second point, however, which is critically important to me, is that this is brand new and experimental. We do not know what it is going to do.

But we do know what this kind of program and we do know what investment tax credit can do. So, from that point of view, I thought we were better off saving our bucks, as it were, for this particular type.

Senator DOMENICI. Might I answer Senator Javits' question?

I think the issue that the \$100,000 cap places is an issue of targeted versus untargeted employment stimulus. The Senate did its will yesterday and did not see fit in the area of taxation to engage itself in a broad tax approach to target unemployment.

I am not critical, but that is what happened. I do not support that. But I think if we were going to experiment with the use of the tax code for high unemployment areas, so-called hardcore, and certainly youth among that, we should have had a real experiment that targeted the use of it.

But the point we ought to make here is there have been proposals with reference to this expanded CETA approach which would give you an opportunity to supplement targeting by using a targeted approach for youth, and that is the part that would emphasize the use of the private sector as a part of the CETA employment program for the youth.

It is a tough one to do. It is not as direct as a targeted tax approach. But I certainly think if we do not target in the final tax bill, then we have an added responsibility to try to use the CETA employment of youth as a major mechanism for targeting.

In response to your question on youth, major claim about lack of opportunities of jobs, Senator Javits, in the last 4 months on every trip home, every 2 or 3 weeks, I have met with groups that were worried about problems the youth have in my State. At the top of the list is that they do not have job opportunities. That is kids in school and kids out of school. They talk about crime and talk about a lot of other issues in regard to youth unemployment.

When you really get down to it, what they are saying is they do not have an opportunity to go out and make some money for themselves. Their parents say the same thing. It does not matter how conservative or liberal an adult group is that you speak to, when you talk of the moral responsibility to do something in this area, even if it costs dollars, you get a rather major consensus in favor of the U.S. Government doing this in the best way that it can.

I do not think that we are going to suffer any criticism. I think it is a prime responsibility, and the current situation is deplorable. I do want to say to the committee that there has been a myth that this youth unemployment problem is principally a problem of the big cities. I believe that is not so.

I think as you evaluate the statistics, you will find that it is only larger in numbers there because there are more people there and, thus, more youth. I believe it is almost homogenous in terms of its dimension or percentage whether you have rural or big city populations.

The challenge may be different, the scope may be different, but it is the same wherever you are in the country, and the ill effects of not doing something about it are just as bad for rural and small town folk as they are for the big cities.

Senator JAVITS. Thank you very much for that statement. We need it.

Senator NELSON. I want to say I agree with Senators Javits and Humphrey on the \$1 billion, \$2.5 billion authorization. It is a major problem. It is structural unemployment. It does not fluctuate with improvement in the economy—it does not respond the way it should.

Thank you very much.

Our next witness is Senator Richard Clark.

STATEMENT OF HON. DICK CLARK, A U.S. SENATOR FROM THE STATE OF IOWA

Senator CLARK. Mr. Chairman and Senator Javits, and Senator Riegle, I have got a statement that will perhaps take 10 minutes. I have got to chair another meeting. If I could just take 2 minutes. I will put my statement in the record. I will emphasize why I appear before the committee.

The emphasis that I want to give is really what Senator Domenici's last statement emphasized, the necessity to remember the rural areas.

I serve on the Senate Agriculture Committee as chairman of the Rural Development Subcommittee. We try to monitor employment programs and other programs as they affect rural areas.

When we look at past employment programs, at least insofar as I have been able to do so in a brief way, we see that while about 70 percent of the people in this country live in urban areas, as defined by 50,000 or greater, 96 percent of the CETA jobs actually go to that area.

Now, if we look at the legislation that is pending before this committee, the legislation on which we are holding hearings today, I think parts B and C of that legislation are almost certainly going to lead heavily into the direction of urban areas, as they almost of necessity will.

But part A of the legislation, it seems to me, does really lend itself to rural youth participating in this program.

If one looks at the unemployment in rural areas, you see that it is almost exactly the same as in urban areas. I think the latest statistics for the last quarter of 1976—show that the teenage unemployment is about 20 percent in urban areas and about 17 percent in rural areas.

Now, quite frankly, I would contend that it is probably higher than that in rural areas because, in many cases, rural youth are so far from the unemployment office that they do not get recorded.

I was raised in a town that is 50 miles from the closest unemployment office. I would think in Mountain States it might be much further than that.

In any case, the unemployment, I think, is comparable in rural areas.

All I am suggesting to the committee, Mr. Chairman, in conclusion, is that perhaps at some point under part A of the legislation that there be either by amendment or in the committee report, or in some way, special consideration for membership in the program with regard to rural people.

I do not want to set up a quota, and I do not want to set up some kind of earmarking requirement, but just that people that run these programs be aware of the need for rural employment as well.

Senator NELSON. I thank Senator Clark.

The committee is well aware of your interest in the subject.

I believe that almost 2 years ago your Subcommittee on Agriculture sent out a rural youth employment proposal which was not acted upon, unfortunately, and which I thought was a very good proposal myself.

Senator CLARK. Thank you.

Senator NELSON. I do not have the breakdown of youth versus adult unemployment in Wisconsin, but for many years northern Wisconsin has had the highest rate of unemployment in the State, and that has persisted probably ever since the Second World War, possibly even before, but they have always had a higher rate than any of our cities.

Senator JAVITS. I have no questions except I thoroughly agree, and we will try, Dick, to find some way of doing that because I think this question applies to city kids, too.

The Administrator might say that is great, we will send the kids out on a farm and see what rural life is all about.

That is not what this program is. It is a program to equip people for jobs, not to broaden their horizon. This is not a social program or to broaden your horizons. It is very tough business.

I am very interested in your figure, and we will check it out as to whether 70 percent in the summer camps came out of rural areas. If that is the case, you might as well be realistic and run it that way.

Senator NELSON. Thank you very much.

Senator RIEGLE. I appreciate the point that you make, and I think it is well taken. I am just wondering how we make a differentiation between rural youth and urban youth in terms of the pressing necessity for opportunity—I do not know how we would justify about not being absolutely evenhanded about it, just dropping all the names in a hat and drawing them out in that fashion rather than trying to structure a particular thing.

Senator CLARK. I understand what you are saying and the difficulties involved in it. I think that is why I would prefer not to suggest that we have a quota for a hard-and-fast rule, but rather there be some guidance to the people who administer these programs, some awareness that we not get terribly disproportionate numbers of people in these programs who are just from metropolitan areas.

As I say, if you take the CETA program, I think about 96 percent of the jobs went to metropolitan areas where only 70 percent of the people work, yet the unemployment levels are about the same.

I am not suggesting a quota. But what I am saying is since parts B and C of this legislation seem to me to be geared almost certainly to urban areas, almost unavoidably though, and perhaps appropriately so, that at least in this one area where rural youth really did have an opportunity to participate, that that part of the bill not be loaded up with only urban youth as well, that we have some kind of recognition since the unemployment rate is about the same in rural areas that they can be given perhaps even some special opportunity there so that the overall bill will at least not leave them out entirely.

Senator RIEGLE. I notice, too, in your statement you point out that:

In the summer youth conservation corps program, a past joint effort between the Departments of Agriculture and Labor, about 70 percent of the enrollees came from towns of under 50,000.

Senator CLARK. That is right.

In that program they did, indeed.

Senator RIEGLE. Was the same rationale used to structure—I know there was some guidance sort of targeted for that figure, 70-percent figure.

Senator CLARK. I am not sure of that. I see the staff says no. I think again it was the nature of the program rather than whereas the program that is before the committee now, I think, in two of its parts at any rate, they are pretty strictly urban areas, and this one, I think, opens up the possibility of rural youth being treated in a fairly equal way.

Senator RIEGLE. Well, I appreciate your point and it is well taken.

Senator CLARK. Thank you.

[The prepared statement of Senator Clark follows:]

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TESTIMONY ON YOUTH UNEMPLOYMENT IN SMALL TOWNS AND RURAL AREAS
SENATE EMPLOYMENT, POVERTY, AND MIGRATORY LABOR SUBCOMMITTEE
April 22, 1977

I want to applaud the decision of the Administration to make youth employment a high priority, and also to recognize the efforts of Chairman Nelson and Subcommittee members Cranston and Javits, who have introduced legislation that forms the basis of S. 1242.

I greatly appreciate this opportunity to comment on the "Youth Employment and Training Act of 1977" and its application to rural areas. The focus of this legislation upon youth employment and training is a most fruitful way to tackle the unemployment situation, while simultaneously laying the basis for a prosperous future for our nation. As you well know, the employment rate for our young people hovered around 20 percent during the last quarter of 1975, a rate that cannot be sustained without risking severe economic and social consequences.

My special concern is for the young people who live in our smaller towns, who have been scarcely touched by previous efforts to expand employment and training opportunities. And yet, unemployment among rural youth is no less acute than among urban youth. The latest figures show that one of every six residents of small towns and rural areas between the ages of 16 and 19 is seeking employment. This proportion probably understates the problem, for the government's definition of "unemployment" does not count those rural youth whose distance from an unemployment office prevents them from reporting their job status.

A necessary prerequisite to true rural development is a program to expand employment opportunities for young rural Americans. As study after study has documented, jobs in urban areas, and the lack of them in rural areas, explains much of the out-migration from America's small towns and the resulting loss of vitality in those areas.

As chairman of the Rural Development Subcommittee, I have learned that programs designed with the best of intentions often turn out to favor urban areas, to the detriment of those living in small towns. Initiatives of recent decades in such areas as education, housing, and health all seemed to have widened, rather than narrowed, the gap between the status of cities and small towns.

"The first part of S. 1242, the National Young Adults Conservation Corps, could offer substantial opportunities for small town youth. This section is ideally suited to young people who reside in small towns and rural areas, for they are well-acquainted with the need to conserve and protect our natural resources and they live in close proximity to those resources. Unfortunately, however, as it is now written, this legislation contains no language recognizing this fact. I am frankly concerned that unless such language is incorporated into the legislation, the program will be flooded with urban youths, and rural and small town young people may once again be short-changed.

My hope is that this conservation program would truly benefit the hundreds of thousands of unemployed rural young people who are well-equipped for participation in the program. In the summer Youth Conservation Corps Program, a past joint effort between the Departments of Agriculture and Labor, about 70 percent of the enrollees came from towns of under 50,000. I believe that we should use that percentage as a target for the new program proposed in S. 1242. This would insure that the employment needs of rural youth would not be ignored.

Therefore, I propose that the Subcommittee adopts an amendment to S. 1242, section 603 (c) that would add a clause stating the following:

"preference for membership in the corps shall also be given to those who are not residents of urbanized areas, as defined by the Bureau of the Census."

The Bureau of the Census defines an "urbanized" area as a community of 50,000 inhabitants, plus its closely settled fringes. So this amendment would be of particular benefit for young people who live in towns of under 50,000 people.

Furthermore, I recommend that the Subcommittee explore alternative methods of determining unemployment rates in rural areas, for the reason mentioned earlier. In three instances in S. 1242--sections 303 (c), 813 (a), and 833 (a) (1)--the allocation of the program funds is based upon area or state unemployment figures that understate the level of unemployment for those living in small towns or rural areas.

One alternative method would be to subtract the number of youths in the labor force, in the military, and in school from the total number of youths, and to use the resulting figure as a truer reflection of unemployment in a given area or state.

S. 1242 has my support, for it would serve to enrich two valuable forms of resources in our country--our natural resources and our human resources.

Senator RIEGLE. Thank you, Mr. Chairman.

Senator NELSON. Thank you, Senator Riegle.

Our next witness is the Under Secretary of Interior, James A. Joseph. For the purpose of having an accurate record, would you identify the person accompanying you?

STATEMENT OF HON. JAMES A. JOSEPH, UNDER SECRETARY, DEPARTMENT OF THE INTERIOR, ACCOMPANIED BY GOVERNOR H. AKER, DIRECTOR, OFFICE OF MANPOWER TRAINING AND YOUTH ACTIVITIES, OFFICE OF THE SECRETARY, U.S. DEPARTMENT OF THE INTERIOR

Mr. JOSEPH. I have with me Governor Aker, Director of Manpower Training and Youth Activities in the Office of the Secretary, Department of the Interior.

Senator NELSON. Proceed.

Mr. JOSEPH. I am pleased to have this opportunity to present the views of the Department of the Interior on the President's proposal for youth employment and training programs.

Mr. Chairman, the President's proposal contains three new programs under title VIII of CETA—a National Young Adult Conservation Corps, a program of youth community conservation and improvement projects, and a comprehensive youth employment and training program.

As you have heard Secretary Marshall testify, in developing this program the administration has relied heavily on the experience of the respective Departments and upon many fine bills introduced by Members of Congress.

At the Department of the Interior we are particularly interested in part A of the proposal which will establish a National Young Adult Conservation Corps to be administered by the Department of Labor through interagency agreements with the Department of the Interior and Agriculture. We, and Agriculture, will be responsible for the day-to-day operations of the Corps centers.

The NYACC will be open to all unemployed young persons who meet the requisite age criteria. However, individuals will be given preference for employment if they live in areas having unemployment rates of 6.5 percent or higher.

I would like to deviate from my prepared text to make one comment. There has been much discussion about the relative needs of urban and rural areas. One of the things I would suggest that we not forget is that while the unemployment rate may be similar, the significant difference tends to be in the composition of unemployed population groups.

Continuing, Mr. Chairman, with my statement.

The Department of the Interior's mission of stewardship over the Nation's natural resources provides us with a unique responsibility and opportunity to meet the human needs of our society.

Within our mission, viewed in its most appropriate sense, it is impossible to separate human and natural resource needs. An economically strong, healthy, and productive people is the greatest of our natural resources.

We are committed to programs which utilize our natural resources to enhance the well-being of our human resources, programs which include employment, education, and vocational training for the unemployed, the underemployed, the elderly, the young, and other disadvantaged groups.

Over the years this commitment has been evidenced in our involvement in the Civilian Conservation Corps of the 1930's, the Job Corps Civilian Conservation Center program of the 1960's and 1970's, and the new and highly successful Youth Conservation Corps program.

We are ready once again to meet this commitment. Present economic and social conditions make it imperative that we assume a substantially larger role in providing employment, training, and educational opportunities for our Nation's young people in activities that will improve our natural heritage and environment, and protect and enhance our public lands and waters.

Our experience with the Youth Conservation Corps has been exceptionally successful. The more than 17,000 young men and women from all segments of our society who have participated in the programs operated on lands administered by the Department have accomplished projects valued at over \$18 million.

Fully 80 percent of all appropriated funds which we spend on this program are returned to the public in the form of much needed improvements to our public lands and waters. The benefits that young people derive from their participation in the program are well known to the Members of Congress. They have been attested to by educators, public officials, the highly respected Institute for Social Research of the University of Michigan that conducted independent evaluations, conservation groups, parents, civic and community leaders, and most importantly, the young people themselves.

Mr. Chairman, the purpose of part A of the administration's proposal is to create a year-round program to provide employment and other benefits to young adults, to be known as the National Young Adult Conservation Corps.

Mr. Chairman, we have estimated a substantial volume of labor intensive projects which could be accomplished by young people in this kind of a program. We are prepared to put 10,000 of them to work within a period of 90 days after enactment of the President's proposal and the necessary appropriations legislation.

These are real productive jobs—not "make work" or holding assignments. No extensive training and adjustment period should be required before these young people become producers. We have camp and picnic grounds to build and to rehabilitate, roads and trails to be constructed in the back country, boundary marking and fencing projects, forest protection and development work, grounds maintenance on thousands of acres of developed grounds in national memorials, cemeteries, and historic parks which need care.

There are bridges to be built, ranges to be seeded, dikes, levees and canals to be repaired and constructed, erosion control projects to be undertaken. Literally, almost anything you can think of that can be done on our public lands—needs to be done—and we believe that these young people can do it.

Certainly, our experience with a younger age group—the YCC—indicates that a tremendous amount can be accomplished by American youth when they believe that what they are doing is important. That is why we believe that the natural resources offer an ideal opportunity for programs designed to put young people to work.

This program will provide them with productive work experience and on-the-job training on projects which protect, enhance, and maintain the natural resources that are a part of their inheritance.

If I may summarize, Mr. Chairman, the Department is committed to the success of this program, we have an in-place organizational and management structure which can accommodate this program. We have experienced people who have attained outstanding success with the Youth Conservation Corps, and, as I have indicated, we have ample work to be done.

This completes my formal statement, Mr. Chairman, I will be happy to respond to any questions that you and members of the committee might have.

Thank you.

Senator NELSON. With respect to the summer youth conservation corps program you mentioned that 17,000 men and women have participated. How old is that program, 2 or 3 years old?

Mr. AKER. We ran a 3-year pilot study with approximately 3,000 youths, and then we escalated in the last 4 years to the present status.

Now, we are only talking about our share of the moneys that come down through appropriations. There are three of us involved, the Department of Agriculture, the Department of the Interior, and the State.

Senator NELSON. When you use the figure 17,000, what are you talking about? Interior lands, national forests too?

Mr. AKER. No. I am just talking Interior lands, sir.

Senator NELSON. How many are involved, or will be involved in that summer program this summer, or were involved last summer?

Mr. AKER. Last summer we had approximately 7,000 youths.

Senator NELSON. How many did the Department of Agriculture have?

Mr. AKER. The same.

Senator NELSON. They were mostly on Federal forest lands?

Mr. AKER. Right.

Senator NELSON. How many were employed in the State programs?

Mr. AKER. The total program, I think ours is around 7,000. Forest Service had about the same, and the States were a little bit higher—theirs was approximately 8,000, so we had around 22,000 youngsters in the program last summer.

Senator NELSON. The State programs were the same, that is to say, they were State parks, or State or county forest lands, is that correct?

Mr. AKER. That is right, sir.

Senator NELSON. In all of these programs, were enrollees residential, did they live in the parks?

Mr. AKER. The program was about 50-50, 50 percent residential, and 50 percent nonresidential.

Senator NELSON. What percentage were women, and what percentage were men?

Mr. AKER. Almost exactly 50-50, sir.

Senator NELSON. In all three programs: State, Agriculture, and Interior?

Mr. AKER. Yes.

Senator NELSON. Thank you very much for taking the time to come. Did you have anything, Senator Riegle?

Senator RIEGLE. Not at this time.

Thank you.

Senator NELSON. Our next witness is State Representative Thomas Murray from the Wisconsin Legislature.

STATEMENT OF HON. THOMAS B. MURRAY, REPRESENTATIVE TO THE ASSEMBLY OF THE WISCONSIN LEGISLATURE, 73D ASSEMBLY DISTRICT, SUPERIOR, WIS.

Mr. MURRAY. My name is Tom Murray. I represent the 73d Assembly District of Wisconsin in the Wisconsin Legislature.

In my testimony today I would like to speak in support of S. 1242, the administration's youth employment legislation, introduced by Senator Nelson, as well as the other bills before this subcommittee, which provide funds for youth employment.

I am not going to dwell on the statistics of unemployment in today's youth; unemployment and its consequences are known to all of us. It is now time to take action on this problem, and my purpose in appearing before you is to describe the action we have taken in Wisconsin.

During President Carter's campaign, I wrote to him about my interest in establishing a program of conservation work projects in Wisconsin. The President agreed with my ideas then, and his youth employment legislation shows his continued support for these ideas.

Earlier this year, when the President and Congress began seriously to consider funding for youth employment and public works jobs, I began to work on a conservation work projects bill in Wisconsin.

The idea of attacking unemployment through conservation work projects is not new. The CCC stands out in everyone's memory as a successful program. I have prepared a brief history of the CCC, with special reference to Wisconsin, and I will submit a copy for the subcommittee record. This document shows the number of men who worked on CCC projects, their pay, the money they sent home to dependents, and the vast amount of work they accomplished.

The CCC gave these men and their families relief from the burdens of unemployment, and made investments in conservation projects which continues to reap benefits today.

In 1932, the Wisconsin Conservation Commission mapped out projects for reforestation and erosion control, in preparation for the start of CCC work in 1933.

Early this year I introduced a bill in the Wisconsin Legislature, Assembly Bill 200, which provides for similar preparedness in Wisconsin. Today I was joined in this bill by 46 of my colleagues in the assembly and by 3 Senators.

I will submit a detailed description of my bill for the record. Briefly, the bill provides a one-time appropriation of \$75,000 to administer the

State program. The bill creates a conservation work projects board in Wisconsin, which is responsible for developing a conservation work projects program.

The purpose of this program is twofold: to provide a number of jobs in Wisconsin and to undertake conservation work projects for the protection, development, and use of forests, fish and game, lakes, streams, plant life, flowers, and other outdoor resources.

The board is directed to hire a staff, establish a conservation work projects program, set priorities for conservation work projects, and seek Federal funds for the program. Once Federal funds are available, the board has the authority to establish conservation work camps, and employ persons to work on the projects.

Assembly Bill 200 passed the Wisconsin Assembly by a vote of 86 to 11. The Senate concurred in a unanimous vote, and Assembly Bill 200 is now awaiting the Governor's signature. Throughout my work with this bill, in meetings with constituents and legislators, in committee discussions, and on the floor of the legislature, I have received enthusiastic support for the conservation work projects program.

My bill was drafted so that there are no restrictive requirements on age, term of employment, or other qualifications in the State program. According to section 806, on page 8 of S. 1242, some of the youth employment projects are to be carried out by State agencies, after consultation with the Governor.

This is precisely the intent of my bill. When a Federal youth employment bill is passed, the conservation work projects board in Wisconsin will be prepared to conduct the Federal projects.

Members of the subcommittee, I think the support my bill has received shows that the people of Wisconsin are anxious for the passage of bills like S. 1242. The pressing needs of the unemployed must be met. The bills before you are a substantial and worthwhile step toward meeting these goals.

I just might add, within the past few months the U.S. Forest Service has asked our Department of Natural Resources to identify some of the types of programs in Wisconsin. They conducted a complete survey within the last few months. They identified up to \$164 million worth of conservation programs in soil erosion, reforestation, and other related type programs.

Senator NELSON. If this pending legislation is adopted, I take it the State is well prepared to proceed to administer the State program under any grant that may be made to the States or to a municipality as authorized under the law?

Mr. MURRAY. This is correct. We have structured a work projects board. It is a 14-member board. We consist of various State agencies, such as Natural Resources, Department of Agriculture, also five members in the State Manpower Council, and also five public members. The board would be responsible for the overall operation.

[Material supplied for the record follows:]

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WISCONSIN LEGISLATURE
ASSEMBLY DISTRICT
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STATE REPRESENTATIVE
 73rd District
 VICE CHAIRMAN
 Committee on Transportation
 MEMBER
 Committee on Highways

April 21, 1977

The Honorable Gaylord Nelson, Chairman
 Subcommittee on Employment, Poverty
 and Migratory Labor
 Committee on Human Resources
 United States Senate
 Washington, D.C. 20510

Dear Senator Nelson:

Attached to this letter are two documents which are a supplement to my testimony before your Subcommittee on April 22, 1977. The first document is a description of 1977 Assembly Bill 209, relating to establishing a conservation work projects program, which I introduced in the Wisconsin Legislature. The second document is an outline of the history of the Civilian Conservation Corps [CCC], with special emphasis on CCC activity in Wisconsin.

Sincerely yours,

Thomas B. Murray
 Representative, 73rd Assembly District

TBM:kjw:jmm

Attachments

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 Committee on Highways

April 21, 1977

ANALYSIS OF
 1977 ASSEMBLY BILL 200,
 RELATING TO ESTABLISHING
 A CONSERVATION WORK PROJECTS PROGRAM

This memorandum contains an analysis of 1977 Assembly Bill 200 ["the Bill"], as amended. The Bill was introduced on January 25, 1977 by Representative Thomas B. Murray. The Bill passed the Assembly by a vote of 86 to 11; the Senate concurred unanimously. The Bill is now awaiting the Governor's signature.

The Bill establishes a program for undertaking conservation work projects. The purpose is two-fold: to provide a number of jobs in Wisconsin, and to undertake conservation work projects for the protection, development and use of forests, fish and game, lakes, streams, plant life, flowers and other outdoor resources. The Bill has the following major provisions:

1. Control of the program is delegated to the "Conservation Work Projects Board," created by the Bill. The Board is attached to the Executive Office for administrative purposes. Board membership is composed of the Secretaries of the Departments of Agriculture, Health and Social Services, Natural Resources, Local Affairs and Development and Business Development; the Chairperson of the Department of Industry, Labor and Human Relations; two members of the State Manpower Council appointed by the Governor; the Chancellor of the University of Wisconsin Extension; and five public members nominated by the Governor, with the advice and consent of the Senate, appointed for staggered five-year terms.

2. The Bill requires the Board to:

- (a) hire an executive secretary and any necessary staff;
- (b) promulgate any necessary administrative rules;
- (c) establish a conservation work projects program;
- (d) establish priorities for conservation work projects;

- (e) seek federal funds for the program; and
- (f) establish qualifications for age, residence and term of employment of conservation work project employees.

3. The Bill authorizes the Board to:

- (a) establish conservation work camps;
- (b) enter into agreements with the federal government or with municipalities to establish conservation work projects;
- (c) acquire land suitable for conservation work camps; and
- (d) employ persons to work on conservation work projects and set the compensation for such work.

4. Eligible employees for conservation work projects include all persons who meet the qualifications for age, residence and term of employment set by the Board. Applicants must pass a physical examination prescribed by the Board before being considered for employment on a project.

5. Conservation work camps may be established by the Board for persons employed on a project. The facilities are to be residential in nature, and may be located either on or off the work site. Only persons employed on a work project may reside in a conservation work camp. The Executive Office is required to provide personnel and services necessary to aid in the acquisition of work camp sites.

6. A single annual appropriation of \$75,000 is provided for administration of the program.

TBH:wb:kjw;jm

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April 21, 1977

**A BRIEF HISTORY
 OF THE CIVILIAN CONSERVATION CORPS**

The first part of this paper is a brief history of the Civilian Conservation Corps (CCC) program and the second part is a discussion of the scope and accomplishments of the CCC, with emphasis on CCC activity in Wisconsin.

BRIEF HISTORY OF THE CCC

The CCC was intended to serve a dual purpose: to provide immediate employment for a large number of idle young men and to carry out a variety of much needed projects under the broad heading of "conservation."

1. Creation of the CCC. Unemployment and wasted resources were 2 pressing problems during the 1930's. It has been estimated that in 1932, 25% of those between the ages of 15 and 24 who were in the labor market were unemployed. Perhaps 30% more were only employed part-time. Several unsuccessful attempts had been made to deal with the problems of unemployment. For example, in January 1933, a bill was introduced in Congress to feed, clothe and house unemployed young men at military posts. This measure was shelved in the face of military opposition. Virgin forests that had once covered 800,000,000 acres of the continental United States were reduced to 100,000,000 acres by 1933. In the mid-1930's, rain and wind together washed 6 billion tons of rich soil from the denuded American countryside every year.

Franklin D. Roosevelt first suggested the idea of a conservation corps in his acceptance of the Democratic nomination in 1932. Then, on March 9, 1933, 5 days after inauguration, the new President sketched the outlines of a project to set 500,000 men to work on conservation projects. By the end of March, Congress passed S. 598, giving the President broad power to establish a Civilian Conservation Corps. The CCC began its official existence on April 5, 1933, with Executive Order No. 6101, appointing a director, an advisory council and providing funds.

After this order was issued, its directives were carried out with remarkable speed. By June 16, 1933, barely 2 months after the CCC was created, 240,000 men had been enrolled and some 1,300 camps were established. At this point, 8,500 men were being enrolled every day and camps were being opened at the rate of 26 every day. Enrollment reached a peak of 500,000 men in 2,110 camps in 1935.

2. Control of the Program. Throughout its existence, the CCC was burdened with a diffuse and dependent administration. A large number of agencies were involved in running the CCC. To coordinate the work of the various agencies, FDR created the office of the director of Emergency Conservation Work, headed by Robert Fechner. However, the director never had any real central authority; he was always more of a public relations figurehead. Program responsibility was shared by representatives of the Secretary of War, the Secretary of Agriculture, the Secretary of the Interior, the Secretary of Labor, the Veterans Administration and the U.S. Office of Education. Finally, the President retained a good deal of personal control; for example, he insisted on approving the site of every single camp.

With this kind of organization, it seems a miracle that the CCC was ever established with such a rapid and concentrated effort. Part of the success is due to the Army, which built and operated the camps. With this central role, the Army was able to maintain organization throughout the project by simply ignoring some of the more disruptive proposals. Fortunately, the Army remained a benign influence on policy and there was never a serious problem with militarization, other than the understandable dislike many American youths felt for the fairly organized life in camp.

Another reason the CCC grew so rapidly was that many states were already prepared to begin conservation work. In 1932, before the CCC was conceived, Wisconsin used \$484,000 provided through state unemployment funds to construct fire breaks in the forests. Fully 85% of this amount was paid out in wages. During 1932 the state Conservation Commission mapped out projects for reforestation and erosion control. In 1933, when the CCC suddenly appeared, Wisconsin was prepared with plans for a large number of conservation projects. By 1935, at the peak of CCC activity, Wisconsin had 103 of the 2,110 camps nationwide — only 3 states had more CCC camps.

3. Supervision of CCC Work. When the CCC became fully functional, camp work projects were supervised by various agencies. In Wisconsin, in mid-1934, the state supervised work at 19 CCC state forest camps and 8 CCC erosion camps. The U.S. Forest Service supervised work at 19 camps and the Department of the Interior supervised work at 6 camps. These proportions were typical in Wisconsin throughout the history of the CCC.

The Army supervised all phases of camp routine other than work projects, including camp construction, camp administration and discipline.

4. Eligible Employees. By an April 5, 1933 Executive Order, enrollment was limited to 250,000 single men 18 to 25 years of age, who were willing to allot \$22 to \$25 of their \$30 per month wage to their dependents. Of the initial enrollees, the majority came from families on the public relief rolls, although this was not a requirement. The enrollment period was 6 months and enrollees could sign up for a total of 3 6-month periods.

A week later, in an extremely popular move, enrollment was expanded to include 14,400 American Indians. There were no age or marital restrictions on Indian enrollment and, for the most part, Indian CCC men continued to live with their families.

On April 22, 1933, the CCC enrolled 25,000 local woodsmen. The CCC used these men as experienced project supervisors and simultaneously avoided potential trouble from unemployed local men who might oppose the importation of youths to work in areas they considered their own.

A third special group of men was enrolled by Executive Order on May 11, 1933. This enrollment took 25,000 veterans of World War I, who faced a hopeless employment future because of their age and health. This was another popular decision and served to defuse the crisis brought on by the second "bonus army" of unemployed veterans to descend on Washington in 1933. (The first "bonus army" had been repelled by tear gas and bayonets the year before, while Hoover was President.)

Although the total number of enrollees fluctuated between 1933 and the end of the CCC in June 1942, enrollees continued to be drawn from these sources.

5. CCC Work Camps. Early camps were quite spartan, often no more than a row of tents. Existence in tent camps was usually accompanied by a good deal of discomfort.

After the CCC became better established, camp buildings were made of wood and were abandoned at the end of the work project. In 1936, this wasteful practice ended when all subsequent camps were pre-cut from standard designs, to be dismantled at the end of a work project and moved elsewhere. The camps could be assembled according to terrain in 50 different plans. The natural beauty of camp surroundings and efforts at individual design made many CCC camps surprisingly attractive.

Each camp was occupied by some 200 enrollees, who lived together in 4 barracks buildings. Standard camp design also included a mess hall, a schoolhouse, a latrine building, bath houses and 12 officers' and service buildings.

Camps were usually situated on public land near the work project, although camps were located on private land when necessary for the project, such as erosion control on private farmlands. In many cases, a work project covered a good deal of territory and up to 25% of the camp population could be moved into a "side camp" some distance from the main camp.

6. CCC Projects. The CCC was occupied with an astonishing variety of projects. The types of jobs fall into the following general categories: structural improvements, transportation improvements, erosion control, flood control, forest culture, forest protection, landscape and recreation, range improvement, wildlife conservation and "other activities." As an example of the sheer volume of work, CCC men spent 3.6 million man-days fighting forest fires between April 1933 and January 1937. In that same period, the CCC collected 396,000 bushels of pine cones for seed and restored 1,254 historic buildings. (See Appendix I for a full list of CCC projects.)

7. Appropriations. Funds were appropriated to the CCC on an annual basis. Despite strenuous efforts by CCC administrators and supporters, Congress never made the CCC a permanent agency. Thus, the CCC was always caught between the desire of the President to stimulate the economy by federal spending on a popular program and the conflicting desire to maintain a balanced budget by reduced spending. In Congress, there was terrific resistance to reducing the number of camps, because of political pressure from home to keep camps in the constituency.

On a national scale, the following table will indicate the volume of CCC expenditure:

TABLE D.—Estimated total obligations, Civilian Conservation Corps, Apr. 6, 1933, to Feb. 23, 1937

Pay of enrollees.....	\$481,613,823.19
Pay of civilian employees.....	180,143,232.61
Shelter.....	98,263,278.84
Cooking.....	178,108,608.42
Subsistence.....	211,019,418.77
Medical supplies and treatment.....	29,381,411.39
Supplies, materials, and equipment.....	201,026,494.99
Travel of persons.....	49,114,038.83
Transportation of things.....	32,607,527.79
Utilities.....	11,791,186.04
Miscellaneous.....	43,903,514.57
Pay of Reserve officers.....	70,356,655.00

Total.....\$1,857,900,679.79

¹ Does not include purchase of land, \$12,723,000.

SOURCE: To make the Civilian Conservation Corps a Permanent Agency: Hearings Before the Committee on Labor, House of Representatives, 75th Congress, First Session, on H.R. 6180, April 14 and 15, 1937 (Washington: Government Printing Office, 1937).

The CCC ended in June 1942 when Congress withheld the appropriation for the CCC. Clearly, the Congress concluded that times had changed since 1933 and the CCC no longer served a vital purpose. In 1942, unemployment was no longer a problem; in fact, defense plants were scouring the country for unskilled labor. Efforts to expand CCC activity into non-combatant military support activity proved too late and too unconvincing. By 1942, the CCC had simply become outmoded as a national response to the unemployment problems of the Depression.

DISCUSSION OF THE SCOPE AND ACCOMPLISHMENTS OF THE CCC

During its existence, the CCC enjoyed popularity throughout the country. The CCC was a single project which attacked 2 problems at once: unemployment and improvement of the country's resources.

It is impossible to measure the total benefits of the CCC. Altogether, 2.3 million men were employed, for up to 18 months each, by the CCC. These men spent part of their pay in local communities and sent the rest home to their families. The men generally improved in health and morale. The CCC followed a policy of making supply and equipment purchases locally (restrictions requiring bids and contracts were suspended). Finally, the CCC added to the national wealth through its work projects.

All of these effects were felt in Wisconsin. Between 1933 and 1937 some 1.65 million men enrolled in the program nationally. Of these men, 46,600 were from Wisconsin.

Most CCC enrollees sent the bulk of their pay to dependents living at home. The Wisconsin men in the CCC between 1933 and 1937 earned about 13.6 million dollars. Of this amount, about 9.9 million dollars was sent home as allotments to dependents.

The men who came into the CCC were often undernourished and in poor health. The physical benefits of camp life and regular meals were measurable: average weight gains in over 100,000 men studied was 11.26 pounds and average height gain was 0.54 inches. In addition, all enrollees received immunization and dental care.

Although no follow-up studies were done on employment, the CCC was responsible for a vast amount of job training among the unemployed youth of America, including every job imaginable from sign painting to welding.

Between April 1933 and June 1941 the total expenditure by the federal government in Wisconsin was \$89,863,097. During this period the total expenditure in all states was over \$2.7 billion dollars. Wisconsin ranked 7th among the states in the amount of money spent on CCC projects. The sum of \$89 million spent in Wisconsin by the federal government represents almost the total cost of the CCC program. State financial support was not required. The only cost to the state was the cost to the state Conservation Commission of developing plans for conservation projects, giving the projects priority and submitting the projects for approval for each of the 6-month CCC periods.

While the CCC well fulfilled the temporary objective of unemployment relief, it is the permanent objective of conservation that is still reaping benefits today. Between April 1933 and July 1941, the CCC planted 2.25 billion trees throughout the country. These trees are now reaching maturity and the present return on the CCC investment makes the CCC a project of unchallengeable worth.

In Wisconsin, camps were located throughout the state and the work projects were characterized by the variety and long-range usefulness found throughout the country. Devils Lake State Park was developed as a CCC project. A camp of men from Illinois worked on erosion control on Dane County farms near Mt. Horeb. In Madison, the Arboretum was developed by CCC men. Today in Wisconsin nearly everyone has benefitted in some personal way by the work of the CCC.

TBM:tsh;mld

Attachments (2)

APPENDIX I —Total Work Completed by the CCC throughout the United States during the period April 1933 - January 31, 1937.

TABLE B. Emergency conservation work (Civilian Conservation Corps)—total work completed during the period April 1933-Jan. 31, 1937

Class no.	Type of job or project classification	New work	Maintenance
Structural improvements (100 series):			
101	Bridges.....number.....	4,947.3	197.9
102	Foot.....do.....	1,074.4	382.0
103	Roads.....do.....	3,095.9	188.0
104	Vehicles.....do.....	24,626.2	5,297.9
105	Buildings other than E. C. W. S.....do.....	880.0	317.0
106	Barack.....do.....	126.0	37.0
107	Bathhouses.....do.....	701.0	72.0
108	Cabins, over night.....do.....	197.0	.....
109	Combination buildings.....do.....	74.0	27.0
110	Contact stations.....do.....	2,534.8	3,082.3
111	Devolition.....do.....	1,340.0	610.0
112	Equipment and supply storage houses.....do.....	1,722.0	332.0
113	Gardens.....do.....	6,701.2	1,843.0
114	Lodges.....do.....	11.0	29.0
115	Lookout towers.....do.....	98.6	474.5
116	Lookout houses.....do.....	5,142.3	874.0
117	Shelters.....do.....	11.0	18.0
118	Shelters, trail-side.....do.....	273.0	63.0
119	Shelters, staff.....do.....	407.0	103.0
120	Other buildings.....do.....	29,296.8	3,221.3
121	Crabbing, including fillets.....cubic yards.....	923,886.0	3,673.0
122	Dams.....number.....	3,729.2	466.6
123	Impounding and large diversions.....cubic yards.....	216,976.1	2,242.2
124	Concrete.....do.....	13,942,761.0	113,746.0
125	Fill, earth.....do.....	1,261,077.2	4,470.0
126	Fill, rock.....do.....	6,948,418.0	60,242.0
127	Excavation, earth.....do.....	6,78,161.0	2,231.0
128	Excavation, rock.....do.....	166,402.3	6,756.0
129	Masonry.....do.....	245,146.0	77,277.0
130	Ramp.....do.....	3,196,479.0	17,677.0
131	Spill.....do.....	5,491,112.2	2,096,000.0
132	Fences.....do.....	137,124.1	106.0
133	Gravel pits.....do.....	4,797,170.0	1,771,500.0
134	Leaves, dikes, and effects.....cubic yards.....	28,041.0	.....
135	Dike, water protection.....linear feet.....	27,041.0	271.8
136	Power lines.....miles.....	273.2	.....
137	Sanitary and waste disposal systems, but part of building.....number.....	131,776.0	1,247.0
138	Disposal beds.....do.....	1,141.0	214.0
139	Traps, fish and quadrats.....do.....	2.0	11.0
140	Inner shore.....do.....	601,206.0	13,728.0
141	Inner shore.....do.....	2,241.3	121.0
142	Public camp grounds.....man-days.....	28,360.0	1,428.0

(continued)

MAKE PERMANENT CIVILIAN CONSERVATION CORPS

TABLE B. Emergency conservation work (Civilian Conservation Corps)—total work completed during the period April 1945-Jan. 31, 1957—Continued

Class no.	Type of job or project classification	New work	Maintenance
Structural improvements (100 series)—Continued.			
140	Telephone lines.....miles	54,645.6	120,407.1
141	Water supply systems.....number	644.0	26.0
142	Open ditches.....linear feet	473,042.0	30,318.0
143	Pipe or tile lines.....do	3,276,284.7	496,110.0
143-A	Public campgrounds.....number	819.0	26.0
144	Stumps, water holes, small reservoirs.....do	13,078.4	2,456.0
145	Storage facilities (not 000 omitted).....cubic yards	206,813.9	1,574.4
146	Wells, including pumps and pump houses.....number	3,089.9	974.0
147	Other.....man-days	56,190.9	4,646.0
Other structural improvements:			
148	Camp stoves, fireplaces.....number	13,207.0	1,877.0
149	Castle guards.....do	1,615.0	186.0
150	Corrals.....do	726.5	99.0
151	Fences.....do	217.0	10.0
152	Signs, markers, monuments.....do	6,253.0	43.0
153	Stone walls.....do	112,944.0	7,751.0
154	Table and bench combinations.....pods	18,564.3	152.0
155	Tool boxes.....do	20,606.0	3,602.0
156	Tables and benches.....do	12,672.6	12,526.0
157	Miscellaneous.....do	233,544.0	8,846.0
158	Radio stations.....do	43.0	91.0
Transmission lines, electric (200 series):			
201	Landing fields, airbase.....do	20.0	21.0
201-A	Landing fields, airbase.....acres	2,612.3	301.0
Roads:			
202	Truck trails.....miles	28,896.8	226,403.3
203	Minor.....do	4,210.8	20,828.4
204	Highways.....do	435.8	9,033.3
205	Park roads.....do	966.8	7.4
206	Trails.....do	9,497.3	18,068.0
207	Horse.....do	10,733.2	35,494.1
Erosion control (300 series):			
301	Stream and lake bank protection.....square yards	167,431,656.0	12,225,433.0
Treatment of gulches:			
302	Area treated.....acres	3,912,244.0	139,812.7
303	Bank sloping.....square yards	182,641,109.0	1,222,634.0
304	Check dams, permanent.....number	238,065.8	25,142.0
305	Check dams, temporary.....do	2,914,000.3	103,562.0
306-A	Beaver barriers.....cubic yards	26,842.0	
307	Seedling and sodding.....square yards	276,811,657.0	4,543,016.0
308	Tree planting, gully.....do	220,699,819.0	29,250,441.0
309	Ditches, diversion.....linear feet	42,769,814.7	5,970,579.0
310	Terraces.....miles	12,092.7	2,163.5
311	Channel excavation or construction.....linear feet	12,362,213.0	438,820.0
312	Outlet structures, permanent.....number	131,819.0	9,046.0
Terrestrial outflow:			
313	Outlet structures, temporary.....do	96,550.0	3,308.0
314	Planting, seedling, sodding.....square yards	34,876,915.0	4,774,454.0
315-A	Planting for bank protection.....linear feet	6,740,240.0	22,018.0
316	Sheet erosion plating.....acres	301,363.2	3,304.7
Lime stone:			
317	Quarrying.....tons	1,121,585.0	554.0
318	Crushing.....do	454,075.0	100.0
319	Hauling.....do	427,079.0	210.0
320	Miscellaneous erosion control work.....man-days	891,721.0	9,001.0
321	Contour furrows.....do	6,301.9	7,846.8
322	Preparation for strip cropping.....acres	12,678.0	30.0
Flood control, etc., storm water drainage (400 series):			
Clearing and channeling of—			
401	Channel.....square yards	43,001,765.0	164,826,429.0
402	Removal.....acres	31,114.0	4.8
403-A	Channel.....linear yards	604,027.6	2,091.0
404	Concrete lining of waterways.....square yards	216,725.0	913.0
405	Excavations, channels, embankments, and ditches.....cubic yards	8,245,415.0	19,945,429.0
406	Rock.....do	224,517.0	12,417.0
407	Pipe lines and conduits.....linear feet	317,851.0	562,590.0
408	Repair on paving.....do		11
409	Brush, willows.....square yards	1,125,518.0	38,438.0
410	Brush, willows.....do	457,493.0	80,212.0
Water control structures other than dams:			
411	Concrete, masonry.....cubic yards	81,625.0	4,270.0
412	Wooden.....do	1,601,667.0	294,816.0
413	Number of structures.....feet board measure	10,018.0	1,452.0
414	Concrete core walls other than dams.....cubic yards	1,754.0	
415	Nonconcrete lining of waterways.....square yards	206,292.0	

(continued)

MAKE PERMANENT CIVILIAN CONSERVATION CORPS

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TABLE B. Emergency conservation work (Civilian Conservation Corps)—total work completed during the period April 1933-Jan. 31, 1937—Continued

Class no.	Type of job or project classification	New work	Maintenance
Forest culture (500 series):			
501	Field planting of seedling (trees).....	acres.. 971,455.3	80,999.2
502	Forest stand improvement.....	do.. 2,871,730.5	11,794.2
503	Kutvires.....	man-days.. 2,936,800.2	222,211.0
Tree seed collection:			
504	Conifers (cones).....	bushels.. 306,170.7	.....
505	Hardwoods.....	pounds.. 7,491,011.0	.....
506	Collecting tree seedlings.....	number.. 29,914.0	.....
Forest protection (500 series):			
501	Fighting forest fires.....	man-days.. 3,645,308.1	.....
502	Fire breaks.....	miles.. 34,212.1	38,427.3
503	Fire hazard reduction.....	do.. 44,283.0	425.9
504	Firehouse.....	do.. 13,162.2	271.5
505	Trailside.....	acres.. 1,599,759.8	5,129.0
506	Other.....	man-days.. 2,799,792.0	501.0
507	Fire suppression.....	do.. 439,466.5	1,412.0
508	Fire prevention.....	do.. 3,978,426.3	190,141.0
509	Tree and plant disease control.....	acres.. 8,309,654.3	112,735.4
510	Tree insect pest control.....	do.. 1,728.1	45.0
Landscaping and recreation (500 series):			
511	Beach improvement.....	do.. 25,105,250.0	579,651.0
512	Fine grading, road slopes, etc.....	square yards.. 194,501.5	10,737.4
513	General clean-up.....	acres.. 125,812.3	130.5
514	Lake or pond site clean-up.....	do.. 118,290.0	2,141.1
515	Landscaping, ornamental.....	do.. 14,390,512.0	2,074,583.0
516	Mowing and planting trees and shrubs.....	number.. 343.9	.....
517	Obstructions.....	miles.. 115.8	.....
518	Trails.....	do.. 227,048.0	.....
519	Dugout pits, dumps.....	man-days.. 3,127,741.0	179,233.0
520	Packing areas and parking grounds.....	square yards.. 35,282.0	7,094.3
521	Public camp grounds, 5-year limit.....	acres.. 45,678.8	5,194.5
522	Other public camp grounds facilities.....	number.. 4,111.2	1,308.2
523	Public picnic grounds.....	number.. 11,152.0	168.0
524	Marine umbrellas structures.....	pounds.. 501,761.0	.....
525	Reef collection, flowers, glassware, etc.....	acres.. 25,455.3	11,092.6
526	Seedling of seedling.....	acres.. 8,409.0	1,716.8
527	Soil preparation (fertilizing, liming, etc.).....	acres.. 12,124.1	11.0
528	Visits to other selective cultivation for seed.....	do.. 517,781.0	77,407.0
529	Walls, concrete, gravel, under, etc.....	square feet.. 299,674.0	.....
Ranger (500 series):			
501	Elimination of useless range stock.....	number.. 16,410.0	.....
502	Elimination of predatory animals.....	do.. 180,910.4	1,970.0
503	Range revegetation.....	acres.. 1,611.1	330.3
504	Stock drives.....	miles.. 3,933.4	554.5
Wildlife (500 series):			
501	Fish rearing, ponds.....	acres.. 22,657.0	791.7
502	Fowl and game (hunting and feeding).....	man-days.. 373,621.0	276.0
503	Lake and pond development.....	number.. 201,122,510.0	30,030.0
504	Stocking fish.....	miles.. 2,767.1	251.2
505	Stream development.....	man-days.. 373,104.0	4,046.0
506	Other.....	do.. 41,163.0	.....
507	Emergency wildlife, fee limit.....	do.. 163,512.0	.....
Other activities (500 series):			
1001	Education, guide and contact station work.....	do.. 57,099.0	.....
1002	Emergency work.....	do.. 520,044.0	11,968.0
1003	See arching lot or rescuing persons.....	do.. 421,619.5	1,104.5
1004	Eradication of poisonous weeds, or exotic plants.....	number.. 40,609.6	4,677.1
1005	Experimental plots.....	man-days.. 53,526.0	.....
1006	Fighting coal fires.....	acres.. 5,439.2	47,017.8
1007	Insect pest control.....	do.. 163,870.0	618.0
1008	Map.....	man-days.. 26,285.0	.....
1009	Type, topographic, etc.....	do.. 32,519.0	.....
1010	Model of relief.....	square feet.. 11,531.4	506.1
1011	Marking boundary lines.....	acres.. 131,240.4	13,860.5
1012	Monument control, etc.....	linear yards.. 2,099,729.0	1,786,141.0
1013	Monument control, etc.....	do.. 1,401,620.0	.....
1014	Preparation and publication of maps.....	man-days.. 2,429,579.0	4,520.0
1015	Reclamation, etc.....	do.. 2,508.0	7,170.0
1016	Reclamation and development.....	do.. 44,410.0	.....
1017	Art, handicraft, etc.....	do.. 97,875.0	1,292.0
1018	Other.....	do.. 1,274.0	2.0
1019	Restoration of historic structures.....	number.. 34,558,526.2	642,586.7
1020	Rodent control.....	acres.. 34,558,526.2	642,586.7

(continued)

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TABLE B. Emergency conservation work (Civilian Conservation Corps)—total work completed during the period April 1933-Jan. 31, 1937—Continued

Class no.	Type of job or project classification	New work	Maintenance
Other activities (1,000 series)—Continued.			
2000	Recreation		
2000	Grade line..... miles	70,327.1	3,910.0
2000	Ground water..... acres	8,569,857.2	6.0
2000	Land..... acres	171,746.0	3,923.3
2000	Vegetation..... acres	8,296,339.0	0,790.6
2000	Tree..... do	10,294,000.8	1,170.0
2000	Other..... do	241,002.0	22,821.0
2000	Timber estimating..... acres	25,213,523.7	64,694.1
2000	Tree preservation..... man-days	182,902.0	69,661.0
2000	Unallocable..... do	21,720.0	

(end of table)

SOURCE: To make the Civilian Conservation Corps a Permanent Agency: Hearings Before the Committee on Labor, House of Representatives, 75th Congress, First Session, on H.R. 6180, April 14 and 15, 1937 (Washington: Government Printing Office, 1937)

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Leaders, for a change.

22 September 1976

To Tom Murray

I really appreciate your letter and am glad to learn of your interest in establishing conservation work projects similar to the OCC.

I remember the impact of the OCC in the 1930's, and I think similar initiatives are called for today, but with stress on urban rather than rural work projects. We do need to put a special emphasis on increasing employment opportunities for young people.

Your research along these lines can be valuable to me, and I may call on you at a later time for the help you have offered.

Your friendship and support are important to me, and I will do my best to deserve your confidence.

Sincerely,

Jimmy
Jimmy Carter

JC:mmc

Senator NELSON. Thank you very much, Mr. Murray, for taking the time to come, and giving us the benefit of your testimony this morning.

Our next witness is Mr. Kenneth Young, associate director, department of legislation, AFL-CIO; accompanied by Robert McGlotten, legislative representative of the AFL-CIO.

I am going to ask this witness and the succeeding witnesses if they would summarize their statements, giving the main points.

As you know, Mr. Young, having been around here many, many years, there is no way to successfully impose a time limitation upon Members of the Senate. I once asked Senator Humphrey to summarize his statement, and the summary was three times as long as the statement.

So if you will summarize it for us, we do have seven more witnesses. Go ahead.

STATEMENT OF KENNETH YOUNG, ASSOCIATE DIRECTOR, DEPARTMENT OF LEGISLATION, AFL-CIO, ACCOMPANIED BY ROBERT MCGLOTTEN, LEGISLATIVE REPRESENTATIVE, AFL-CIO

Mr. YOUNG. Thank you, Senator.

Mr. Chairman, I will summarize this statement, and ask that it be printed in full in the record.

Senator NELSON. It will be printed in full in the record at the conclusion of your testimony.

Mr. YOUNG. The AFL-CIO welcomes the Carter administration's proposal for S. 1242, the Youth Employment and Training Act of 1977. It is a step forward in dealing with the unmet needs of America's young people.

The AFL-CIO's support of S. 1242 is in recognition that there is a serious youth unemployment problem that needs to be addressed.

Mr. Chairman, we supported the recommendations of your subcommittee for a simple extension of CETA. We hope that this will be an additional title to CETA so its authority will expire when the regular CETA program terminates.

We feel that this would give the administration and your committee an opportunity to develop a comprehensive manpower approach that addresses itself to a full employment economy.

The statement spells out the structural problems of youth unemployment, Mr. Chairman. We point out that the AFL-CIO has long been concerned about the special needs of young people for employment and training, as well as for good educational opportunities.

In the field of education, the AFL-CIO continues to press for adequate Federal, State, and local expenditures to insure the health of American education at all levels from elementary schools to post-secondary schools.

Likewise, the AFL-CIO continues its support of the Vocational Education Act with substantially increased funding, and with maintenance of special programs established under the act.

We include a copy of the Executive Council statement on February 28 of this year dealing with problems of youth unemployment.

Our statement then goes into specifics, into specific recommendations that we make in terms of this legislation.

Finally, Mr. Chairman, we point out that the AFL-CIO is convinced that we have a severe crisis in this country, in trying to determine new areas of employment.—

If this committee reviews recent statistics, it is clear that the increase in jobs on nonagricultural payrolls are in service areas, wholesale and retail trades, services, and the public sector.

We are losing manufacturing jobs as well as transportation, utilities, and construction jobs at an alarming rate.

Unfortunately, the main employment increases are in low skilled, low wage areas. At the current rate of decline in the better paying and better skilled jobs, the youth of today who have little or no education will find it extremely difficult to secure decent employment.

It is the AFL-CIO's hope that once Congress has enacted this measure for youth, this committee will proceed to develop a manpower policy that will address itself to the structural and cyclical unemployment problems that persist in haunting far too many Americans of all ages.

Thank you, Mr. Chairman.

Senator NELSON. Thank you very much, Mr. Young.

On page 26, under paragraph 3, reference is made to projects to which the provisions of the Davis-Bacon Act or any other Federal law containing labor standards in accordance with the Davis-Bacon Act is otherwise applied.

Would you comment on how you would interpret that provision to work?

Mr. YOUNG. I will be glad to, Mr. Chairman.

One of our problems, and I think we address it in our testimony, is we want to make sure that the youth jobs are really additional jobs and are not jobs simply to replace older workers, whether they be minority, women, or any other group. Because then we do not think it makes sense.

That leads us to the area, let us say, covered by Davis-Bacon. It probably would have been simplest for us to take just a hard line negative position and say let us outlaw all work involved in Davis-Bacon.

We do not think that makes any sense. We think there are a number of areas covered by Davis-Bacon that do provide opportunities for youth. At the same time, we are very aware that our building trades unions, while they still have not done enough, have gone a long way in attempting to bring minority youth into their apprenticeship programs.

I believe that their present rate of apprenticeship is 19-percent minority. We want to make sure that those youth who suddenly get an opportunity to get into these areas are not displaced.

Given that background, we felt that we should attempt to work out with the administration, with the Labor Department and with interested Senators and Congressmen some mechanism that would, while at the same time protecting workers who are now unemployed in the building construction area, where unemployment is so high, provide the flexibility, so we could bring workers and the youth in, get them in to some of these jobs and try to negotiate rates that would not mean Davis-Bacon rates.

If I could, I would like to let Mr. McGlotten respond to this because he was directly involved in some of these discussions.

Mr. McGLOTTEN. Senator, I will be more than glad to.

As you are well aware, the Davis-Bacon provisions do apply at the present time to contracts with \$2,000 or more. With the \$5,000 floor, which we have here, it would give the Secretary the opportunity on

If I could, I would like to let Mr. McGlotten respond to this because those projects of \$5,000 or less to set journeyman's rate plus a rate above the minimum wage but less than the starting apprenticeship rate in order to give youth an opportunity without disrupting Davis-Bacon.

In addition to that, which is here in the legislation, we also worked with the administration, and our building trades department president, Mr. Georgine.

The \$5,000 floor is to protect ourselves so that in any given particular community, a local prime sponsor could not start a major renovation project with youth building at \$2 an hour. That is the basis for our \$5,000, and raising the maximum limit which is 150 percent over and above \$2,000, which is now presently in the law.

Senator NELSON. If it were a project ordinarily covered by Davis-Bacon, such as building repair or maintenance—well, if it were \$5,000 or less, the provisions of this act could apply, is that what you are saying?

Mr. McGLOTTEN. That is correct.

It would give the Secretary an opportunity to sit down and negotiate a rate, a journeyman's rate, plus trainee or apprenticeship rate.

Senator NELSON. Thank you very much.

Senator STAFFORD. Thank you, Mr. Chairman.

I apologize, but the conflict in scheduling made it impossible for me to be here when Mr. Young opened with his testimony. I think Mr. Young knows of my high regard for him and the labor organization that he represents.

I have had a chance to skim through the written testimony. I have a couple of questions.

My first one, Mr. Young, is this.

The community improvement program in S. 1242 is project oriented.

The purpose is to provide an employment early work experience for young people. The section also provides training and skilled development, and there is strong emphasis on relating job experience to the granting of school credit.

I ask you, therefore, do you agree with me that there is a need for a program of this type in the overall approach to the youth employment problem?

Mr. YOUNG. Yes, we do, Senator.

I think, just as you were walking in, we were, in fact, saying that. That is one of the reasons we have tried to work out this problem.

As we were saying earlier, if we had disagreed, we would probably just take a very simple hard-nosed position and say let us keep anything applying to Davis-Bacon out of the act and provide all the jobs in service areas and not in Davis-Bacon areas.

We do not think that is the correct way to go. We think there is work experience and there is something that can be done in this area, and that is why we have attempted to work out this thorny problem.

Senator STAFFORD. I appreciate that.

The second question is, do you agree that there is a lot of needed work in communities across the country that could be undertaken through this program which would lead to constructive sound jobs and not just make-work activities?

Mr. YOUNG. Yes, we certainly do agree.

As you know, we think there is a lot of essential work that can be performed and can be done. Our concern, as you also know, is that prime sponsors do not see this as a way of getting Federal money that they can use—commingling their funds, and suddenly, with heavy unemployment, an area in the skilled trades using youth at much lower rate while the skilled tradesman is out of work and sitting there watching it happen.

We think that makes no sense.

Senator STAFFORD. Thank you very much.

I appreciate your answers to the questions.

Thank you, Mr. Chairman.

Senator NELSON. Thank you.

[The prepared statement of Mr. Young follows:]

STATEMENT OF KENNETH YOUNG, ASSOCIATE DIRECTOR, AND ROBERT
McGLOTTEN, LEGISLATIVE REPRESENTATIVE, AMERICAN FEDERATION
OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS BEFORE
THE SUBCOMMITTEE ON EMPLOYMENT POVERTY AND MIGRATORY
LABOR OF THE SENATE COMMITTEE ON HUMAN RESOURCES ON
S. 1242, YOUTH EMPLOYMENT AND TRAINING ACT OF 1977

April 22, 1977

The AFL-CIO welcomes the Carter Administration's proposal for S. 1242, the Youth Employment and Training Act of 1977. It is a step forward in dealing with the unmet needs of America's young people.

The AFL-CIO's support of S. 1242 is in recognition that there is a youth unemployment problem that needs to be addressed. Mr. Chairman, we supported the recommendations of your subcommittee for a simple extension of CETA. We hope that this will be an additional title to CETA so its authority will expire when the regular CETA program terminates. We feel that this would give the Administration and your committee an opportunity to develop a comprehensive manpower approach that addresses itself to a full employment economy.

Such a program would deal with both structurally and cyclically unemployed persons. It should address itself to retraining and upgrading both in the public and private sectors. It must be a program that has as its purpose the basic fundamental ingredient that human resources are America's prize possession, that talents should be developed and not wasted. The legislation before this committee addresses itself to only one aspect of the total problem and unless we develop a full manpower policy aimed at full employment, we always will be legislating on a piece-meal basis.

Persistent high unemployment among America's young people is one of the most serious aspects of the nation's economic and social life. It is a major component of the overall serious unemployment situation in the U.S.A.

One out of five teenagers - including one out of three black teenagers - is jobless. For these young people, frustration and enforced idleness often lead to anti-social activity, to delinquency and despair.

For our society and our economy, high unemployment for young people as well as for adult workers is a costly waste of valuable human resources. Without in any way minimizing the employment and training needs of adult workers, it is important to note that adequate job creation and job training for all America's young people are essential for a constructive beginning to adult worklife.

In March 1977, teenagers in the labor force -- 16 to 19 years old -- numbered a little more than 9 million -- and the official count of jobless teenagers was about 1.7 million. In addition, according to the Joint Economic Committee, there are at least 350,000 young people who would have been looking for work if jobs had been available. These "discouraged" teenagers have dropped out of the labor force and were not counted in the official unemployment statistics.

Black teenagers officially counted in the civilian labor force number about 765,000 -- and the official count for out-of-work black teenagers is about 350,000. The low labor force participation rates for black teenagers suggest that even these horrendous figures understate black teenage unemployment because of the widespread "hidden" or "discouraged worker" joblessness of those who give up looking for non-existent jobs.

Thus, in February 1977, the participation rate for black teenage males was 35 percent when the rate for white teenage males was 57 percent. The participation rate for black teenage females was 26 percent when the rate for white teenage females was 50 percent.

Unemployment among teenagers is in part a problem of demography, the "baby boom" of the 1950s and 1960s. This aspect of the problem may diminish as teenagers become a smaller part of the population and the labor force. According to Bureau of Labor Statistics projections, in the 1980s the teenage labor force will actually drop. As a result, teenagers will make up only 6.7 percent of the 1990 labor force -- down sharply from the 9.5 percent teenage share in 1975.

Also there are a variety of economic and social factors behind the persistent high unemployment rates for young people. Two major recessions within the past 10 years followed by weak and inadequate

recovery periods have diminished job opportunities for all workers including young workers. Residence in depressed inner cities diminishes job opportunities. Changing technology and industry structure and location frequently diminishes job opportunities, especially for less experienced and less skilled youths. Poor education, lack of work experience and skills, and lack of knowledgeable counseling often diminish the ability of young people to find jobs.

Thus, the youth unemployment problem persists, even in good times, and is aggravated in bad times. Economic recovery alone will not solve this problem. In the post-World War II years, the unemployment rate for teenagers has consistently ranged from 2½ to 3½ times the national unemployment rate.

The AFL-CIO has long been concerned about the special needs of young people for employment and training, as well as for good educational opportunities. In the field of education, the AFL-CIO continues to press for adequate federal, state and local expenditures to insure the health of American education at all levels from elementary schools to post-secondary schools. Likewise the AFL-CIO continues its support of the Vocational Education Act with substantially increased funding and with maintenance of special programs established under the Act.

The AFL-CIO Executive Council recently declared the continuing concern of the labor movement for adequate training and job opportunities for youth. The AFL-CIO called for a significant increase in the nation's programs of training and employment for youth -- with an immediate \$2 billion expansion of these programs, particularly those oriented toward skill training and development of good work habits.

The AFL-CIO also pointed out that training and employment programs for young people must not result in job loss or impaired opportunities for adult workers. Schemes that transfer job opportunities from adults to youths are not a solution to the unemployment problems of either youths or adults. We believe youth programs should address structural problems to training and employability.

In the recent AFL-CIO Executive Council statement -- which we have attached to this statement -- we pointed out that union-initiated and union-operated training and apprenticeship programs in new

occupational fields can help young people gain marketable skills in line with future job openings. Many AFL-CIO unions are already engaged in such programs directly or in cooperation with the AFL-CIO Human Resources Development Institute.

We find the Carter Administration's proposed "Youth Employment and Training Act of 1977" in line with the concerns of the AFL-CIO and we support this proposal. It is not as ambitious as we hoped and it is spread over a longer period, 18 months, than our one-year, \$2 billion proposal. Nevertheless, it is a step in the right direction.

The Administration proposal calls for spending \$1.5 billion over an 18 month period to provide 203,000 jobs in three programs under a new Title VIII of the Comprehensive Employment and Training Act.

First is the National Young Adult Conservation Corp which will have 35,000 jobs at a cost of \$350 million in conservation projects and in maintenance and improvement of public parks, forests, and recreation areas. Youths in this program will get at least the federal minimum wage.

Second is the Youth Community Conservation and Improvement Program which will have 30,000 jobs at a cost of \$250 million in local neighborhood improvement projects and natural resource restoration on publicly owned lands.

Third is the Comprehensive Youth Employment and Training Programs section of Title VIII. This program will provide 138,000 jobs at a cost of \$900 million. It will be administered primarily by CETA prime sponsors and will supplement existing programs and activities for youth now carried out by prime sponsors.

We note that these three programs are aimed primarily at young Americans aged 16 through 21 years, with a proviso that younger and older youths may be enrolled subject to regulations to be issued by the Secretary of Labor. While there is obvious overlapping of these youths' employment and training needs with those of the 14 and 15-year-olds and the 22 and 23-year-olds, the most serious and urgent needs are those of the 16-to-19 group.

Mr. Chairman we have a few specific recommendations.

We fully support §603(B)(1)(A) and strongly suggest that language be incorporated to insure that youths participating in the corps be prohibited from dropping out of school while maintaining enrollment in the corps.

In §§14 and 815 we applaud the concept of using appropriate and adequately trained supervisory personnel. We hope the report will give guidance to the Secretary in urging the use of unemployed skilled craftsmen, public sector employees, teachers and teachers aides when filling those supervisory positions.

In §§15 and 852 we suggest that the Secretary, when writing regulations concerning the awarding of academic credits, shall consult with state and/or local education agencies, whichever has the authority over accreditation, to insure coordination with ongoing academic programs.

Sec. 835(a)(3) limits eligibility for actual training to members of low income families. While we are not opposed to this emphasis, we believe that the family income level has been set too low. This section sets the family income at 70% of the lower living standard income level. The latest figure for the lower living standard is \$9,588 (Autumn 1975). To take 70% of that figure, or \$6,711, would be too stringent a test for eligibility. This would amount to earnings of only \$3.23 an hour and would exclude too many children of full-time year-round workers. Therefore, we propose removing the 70% criteria and using just the lower living standard (\$9,588) as the appropriate criteria. For a full-time worker, this would amount to \$4.61 an hour, and still be well below private industry nonsupervisory average hourly earnings of \$5.12 (March 1977).

We particularly support the labor protection provisions of §851. This section assures that due consideration will be given to all Title VIII activities to make sure that there will be no displacement of currently employed workers, no impairment

of existing contracts, no substitution or replacement of workers on layoff, no infringement on promotion opportunities for currently employed workers and fair rates of pay, and that there will be consultation with labor organizations representing workers engaged in similar work to that which is proposed to be performed by youths enrolled in these Title VIII programs.

Mr. Chairman, the success of S. 1242 will be ultimately determined by its ability to provide employment opportunities for youth once that individual can gain the type of work experience and opportunity for useful training to compete in the world of work. This should not be a program to replace or substitute regular workers.

The program should be closely monitored by the Labor Department to ascertain the kinds of projects in which youth can be involved, and the useful experiences gained under this program should then be translated into permanent legislation.

This nation is faced with a severe crisis in trying to determine new areas of employment. If this committee reviews recent statistics it is clear that the increase in jobs on non-agricultural payrolls are in service areas (wholesale and retail trades, services, and the public sector). We are losing manufacturing jobs as well as transportation, utilities, and construction jobs at an alarming rate. Unfortunately, the main employment increases are in low-skilled, low-wage areas. At the current rate of decline in the better paying and better skilled jobs, the youth of today who have little or no education will find it extremely difficult to secure decent employment.

It is the AFL-CIO's hope that once Congress has enacted this measure for youth, this committee will proceed to develop a manpower policy that will address itself to the structural and cyclical unemployment problems that persist in haunting far too many Americans of all ages.

Statement by the AFL-CIO Executive Council

on

Training and Jobs for YouthFebruary 28, 1977
Bal Harbour, Fla.

Youth unemployment is a serious part of the total unemployment picture. Official statistics indicate that one out of every five teenagers and one of every three black teenagers is jobless. High unemployment for young Americans wastes human resources, breeds frustration and often leads to anti-social activity. Adequate job creation and training for all youth is essential for a constructive beginning to adult worklife.

It is necessary, therefore, to significantly increase the nation's programs of training and employment for youth. The AFL-CIO reiterates its call for an immediate \$2 billion expansion of such youth programs, particularly those oriented toward skill training and the development of good work habits. A number of existing programs can be increased substantially.

The Job Corps once enrolled twice the current level of young men and women -- about 40,000 a year -- with the average training period lasting about six months. The Job Corps currently includes 27 Civilian Conservation Centers in national parks and forests. These could be significantly expanded to meet the nation's conservation needs.

In 1976 summer youth programs provided jobs for about 875,000 young people. But many more summer jobs are needed.

The old Neighborhood Youth Corps programs providing jobs and training for youths aged 16 to 21 helped keep many young people in school at least through high school graduation. NYC programs now conducted under the Comprehensive Employment and Training Act (CETA) should be expanded and new NYC programs started. Other existing CETA national and local youth programs should be coordinated and expanded.

Training and employment programs for young people must not result in job loss or impaired opportunities for adult workers. Schemes that transfer job opportunities from adults to youths are not a solution to the unemployment problems of either youths or adults. Youth programs should address structural problems of training and employability.

Renewed attention and emphasis must also be given to private youth training efforts by labor and management. Job training and apprenticeship in new occupational fields can open up new employment opportunities for young people.

Union-initiated and union-operated training and apprenticeship programs in these new fields can make an important contribution by helping young people gain marketable job skills in line with future job openings. Many AFL-CIO unions are already engaged in such programs directly or in cooperation with the Human Resources Development Institute. We urge all affiliates to consider initiating and expanding such worthwhile programs.

We will work with the Secretary of Labor to seek new programs to help solve the structural unemployment problems of young people. American needs to develop new practical programs, including expanded apprenticeship training, that can be put into operation quickly.

With a minimum \$2 billion expansion in these and other training-oriented public and private job programs for young people, the nation will begin to meet the special employment problems of America's youth.

Senator NELSON. Our next witness is a panel representing the National Governors' Conference—Joan Wills, director, National Governors' Conference employment and vocational training program; Phil Lerman, executive director, Wisconsin State Manpower Council; Keith Molin, director, Michigan Department of Labor; B. J. Rudman, assistant secretary for manpower development, State of Massachusetts.

How are we proceeding?

STATEMENT OF JOAN L. WILLS, DIRECTOR, NATIONAL GOVERNORS' CONFERENCE EMPLOYMENT AND VOCATIONAL TRAINING PROGRAM, ACCOMPANIED BY PHIL E. LERMAN, EXECUTIVE DIRECTOR, WISCONSIN STATE MANPOWER COUNCIL; KEITH MOLIN, DIRECTOR, MICHIGAN DEPARTMENT OF LABOR; AND B. J. RUDMAN, ASSISTANT SECRETARY FOR MANPOWER DEVELOPMENT, STATE OF MASSACHUSETTS, A PANEL

Ms. WILLS. If it is agreeable with you, I will briefly speak in behalf of Governor Kneip, chairman of the Human Resources Committee, National Governors' Conference, and summarize those remarks, and each of us will summarize very quickly what our remarks are.

Senator NELSON. You each have a prepared statement?

Ms. WILLS. Yes.

Senator NELSON. The prepared statements will all be printed in the record at the conclusion of the testimonies.

Ms. WILLS. I want to speak in terms of the simple extension of CETA. I think it is important for the conference to explain its reasons. Aside from the time issues obviously troubling the new administration, welfare reform is very high on the agenda of the National Governors' Conference. It is very obvious that the manpower components will be a key factor in the welfare reform proposal which will be coming to you.

We also think that prior to any substantive rewrite of CETA, yet another reason to delay a substantial revision of CETA is that legislative review is needed regarding the appropriate role of a public employment service agency system. This area deserves resolution prior to the reenactment of CETA.

Currently the National Governors' Conference is commissioning studies on just this issue and the human resource committee hopes to have recommendations regarding the Federal-State relationships vis-a-vis the employment service by the end of the summer.

We will be anxious to share recommendations with you and other appropriate committees at that time.

Another consideration supporting delay is that we are only a few months into the implementation of the Vocational Educational Act of 1976, which allows us to develop better bridges between the States and local education agencies and the CETA system. A year from now we all should be able to identify what changes, if any, are needed in the CETA legislation which could be more supportive of the companion vocational education system.

The fourth and final reason to delay the rewrite is the probable establishment of a new title under CETA focusing on the needs of youth.

The administration's two proposed amendments to CETA do nothing necessary at this point and are possibly counterproductive to a broader agenda.

At the mid-winter meeting of the conference, the Governors did take on their agenda a review of the potential youth legislation. They did support a new title under CETA for two very specific reasons.

One, it was not considered that any of the current formulas would sufficiently target where our needs are in terms of youth legislation.

Two, we also think that at that point we did not make the project application approach which was the only methodology available under the current title III.

The Governors also took the position in favoring the targeting of the bulk of the funds to economically disadvantaged youth, age 16-22.

They also suggested at that time that the current State and local advisory council mechanisms that we have established under CETA should be the primary mechanism for citizen participation. We need to strengthen those bodies instead of establishing new ones which would undermine the ability of those citizen groups to ever achieve their full potential.

We also at that time received approval from the Governors for suggesting to you that there needs to be a set-aside for Governors for some very specific reasons inside this particular title. If we are not very cautious as we pass this legislation, there may well be young people who are wards of the State either through protective services and/or through correctional institutions who will be left out.

Occupational and labor market information collection and dissemination are State responsibilities within the framework of the current Federal/State partnership programs and flexible money is needed to insure dissemination into sub-State areas in a coordinated manner including funding of such things as joint career guidance programs in the school systems, utilizing the experience of the employment service, teachers in the community college personnel. We simply need to increase the kind of information that goes to our people in school systems. We really think this is an appropriate role for the State government to perform.

We would also like to suggest that not all research and demonstration needs to take place in the hallowed halls of Washington. Research and demonstrations in concert with local and State agencies is an appropriate activity.

Regarding parts of the legislation, we perceive that there is a critical dilemma. While we recognize that youth unemployment rates are high and we will not give you the statistics which I am sure you see many times over, but we just want to say that we also know that the problems of youth in terms of unemployment are chronic problems. We think that we need to recognize fully that we need a longer commitment than a 1-year or 18-month commitment. That kind of dilemma we think is also reflected in the proposed legislation, particularly for youth who have dropped out of school. We are not totally convinced that 1-year jobs with no future after that is the total solution, though that can help some youth, no doubt.

We think there should be some opportunity for career exploration. I do not mean just a conversation about it in some group therapy situation, but to give you some options for over a long period of time.

We think under part C, it is critical to determine what the appropriate role of the Federal Government is. We think it is not important for them to become project managers except for a limited kind of basis in terms of limited research and demonstration activities.

They need to strengthen their role in oversight, evaluation, technical assistance, and sharing information. Sharing information is one of the critical problems we have in CETA as to what does or does not work well.

We would also suggest that their equal employment responsibility in the current legislation certainly needs to be strengthened, and this is not necessarily a part of the National Governors' Conference position, but one that I take the opportunity to suggest that we need to be very cautious about, particularly under parts A and B regarding sex discrimination for women. We think it is the responsibility of the Department of Labor to assure that there will be equal opportunity for all young persons.

We are obviously opposed to the 50-50 split in terms of the formula allocation under Part C. The 80-20 split may be appropriate. We think there are fundamental methodologies that will assure equitable distribution of funds.

Part of the problems which we have to face is that within current part C there would be three project application mechanisms and if you add to that the one in proposed part B, we certainly will be increasing the administrative cost for the implementation of the program and eliminating precious funds for the youth.

I am sorry that I do not have a solution, but I have a caution; the proposed maintenance of environment language that is in there, while we do not disagree with it, we are fearful we may end up in some areas allocating over 90 percent of your current title I activity to youth unless we are very careful about the wording, and while we do not want to be in a position of suggesting that the new youth title should not be an expansion, the current administration, while taking a closer look, may end up exacerbating the problem.

Those are my summary remarks.

The next speaker will be Mr. Lerman who, when he calls me, says he is from the sovereign State of Wisconsin.

Senator NELSON. Mr. Lerman.

Mr. LERMAN. Thank you. Our testimony was simple and was intended to address itself to some very specific aspects of the act, to make, we think, some simple changes that would conform more to the present system.

We support the legislation. We suggest some changes. Basically the changes we suggest are three types.

The first would more clearly focus or target the opportunity available under the act to those most at need. Even at the funding level suggested by Senator Javits, there would be many more unemployed and low-income youths than could be served. It seems critical to us that these limited resources be targeted to meet the needs of the unemployed and low income exclusively.

The second change would seek to more fully integrate the programs and activities authorized by this bill into the existing CETA system

at the State and local level. This integration will require very considerable effort from prime sponsors and a spirit of cooperation that has not always been present in the past. But we personally feel that this integration is absolutely essential to a comprehensive employment and training program and we stand ready to do whatever is necessary to make it succeed.

Third, we would propose several changes that would allow and encourage a freer movement of enrollees between activities under this newly created title and other activities under existing titles of the act. This would require a consolidation of eligibility criteria and greater use of prime sponsor's intake systems and programs in the recruitment for opportunities under this title.

Most of the integration-related changes will work toward this end, but we feel that it is important enough to merit specific clarification on ages 16 through 22. A youth presently enrolled in a CETA title I program should not be prevented from securing a needed job under this title because of an ambiguity in the legislation.

Senator NELSON. Does—

Mr. LERMAN. Just one final statement, I am sorry.

With respect to the Javits amendments, we strongly agree with the two amendments that would change the basis for the allocation of funds and the amount of funding to be made available. We feel, however, that the "categorization" implicit in the 15-percent amendment and the CETA funding and role of the National Occupational Information Coordinating Committee will reduce the effectiveness of this youth effort; and, therefore, we suggest that these two amendments be deleted and the original language retained.

I have some 10 reasons why this should be done, including the ones I mentioned earlier.

We have thousands of school districts. We have hundreds of school districts in the State of Wisconsin, for example, and in any given jurisdiction, there may be as many as eight school districts, but to try to divide up that so-called 15 percent among the eight school districts would cost more in monitoring than the amount of money that could be made available. I would cite that as one example.

I would cite as another example that we are all working already very closely in most of our States. Again, I would have to cite Wisconsin with the existing school districts on our area manpower planning board and one of our prime sponsors. I submitted a report to your office over a year ago on public service employment. Given the five categories of public service employment in the State of Wisconsin, the Wisconsin school districts received 27 percent of all public service jobs.

Senator NELSON. Why should it be 20 percent?

Mr. LERMAN. Between the five categories, if each were to get an equal portion, it would have been 20 percent.

Senator NELSON. What percentage of the public employees, municipal and State, do the school systems represent?

Mr. LERMAN. We broke out that category differently because we used municipalities and school districts as separate parts of the system so that the counties—well, I have a rough figure here as I recall.

Senator NELSON. You heard Senator Domenici's testimony, the burden of which was that the schools were not getting a share proportionate to their percentage of public employees.

Mr. LERMAN. I see.

Senator NELSON. Are you saying on your breakdown that the schools were entitled to 20 percent and got 27 percent?

Mr. LERMAN. In effect.

Senator NELSON. But that is your arbitrary category. Do not the schools represent a higher percentage than 20 percent of the total public employment in the State?

Mr. LERMAN. Yes, but if you take State, county, and municipal employees in toto, and with the kind of organizational structure that we have in the State of Wisconsin, the school district did receive an equitable share. The Wisconsin State school board is one of the few that did not change in the CETA law and supported the position of the State Manpower Services Council because they were getting an equitable share of the public service dollar.

Senator NELSON. Just so the record will be accurate, when you say equitable share, are you saying that the schools are getting a percentage of funds equivalent to their percentage of total employment?

Mr. LERMAN. I understand the question.

Senator NELSON. That I want an answer to.

Mr. LERMAN. I will not give it to you until I find it out accurately. I will give it to you within a week. That is the sum and substance of my presentation, a capsulization.

Senator NELSON. All right, do these proposed amendments that you have spelled out on page 3 represent the consensus of the National Governors Conference?

Mr. LERMAN. No, sir; the consensus of the State of Wisconsin.

The sovereign State of Michigan is next.

Senator NELSON. Mr. Keith Molin, director of the Michigan Department of Labor.

Mr. MOLIN. The statement which I presented is being filed by the Michigan Department of Labor. It represents our thoughts and some reasons that we would ask this committee to consider and address.

We wish to be on record as fully supporting the extension of the CETA program. The statement we have filed with the committee outlines the nature and depth of the problem and the manner in which it has been of assistance to us to solve this problem.

The extension of that program is critical to us as a State.

We have also filed with the committee a statement with regard to the proposed Youth Employment and Training Act. We carry three groups of recommendations in that statement which I will summarize very quickly this morning.

I would first of all like to address one set of recommendations which is simply that the program and the emphasis of the program ought to address itself to more than just the immediate providing of activity which produces a paycheck for some 12 or 18 months, as the case may be, and that we would encourage the program to be one in which the question could be asked: What would happen to the client if the funding were diminished or the program terminated? Does it indeed lead to a career or a private sector employment?

I would put the State of Michigan in strong support of the operation that Senator McClure and others offered to your committee. This is an emphasis we have made in the State of Michigan with some success. We are undertaking a State effort aimed at this particular objective and we would encourage this committee of the Congress to address that objective in the Youth Employment Act.

In our statement we also point out some difficulties from a State perspective with regard to the range of ages of eligibility. I wish to submit that the numbers which we incorporate are numbers which reflect the age group in which we face the biggest problem in the State of Michigan, which is essentially the age grouping of 16 to 19. This is the grouping that we have found and have to characterize, unfortunately, as out of school, out of work, and when that grant project ends, for the most part, out of hope. This is the target group on which we have concentrated.

The numbers in the statement which we have filed support that. We would urge the committee to look at the range of ages in terms of eligibility.

Senator NELSON. Eligibility of age group 16 to 19?

Mr. MOLIN. That is the target group we are talking about for the services and division of opportunity contained in this particular proposal.

In that same category, I would like to suggest that the statement also endorses the use of efforts to take care of in-school youth as well as those who are not in school. We make specific reference to a proposal by Mr. Sarasin in the House and also make reference to the concept outlined by Mr. Javits. The summary relates not only to out-of-school, but in-school youth are considered as well as an incentive to either return to school or remain in school.

We feel these are fundamental components in it which will be successful.

Again with the Michigan perspective, we have some remarks about the allocation processes that are outlined as we understand them and as we believe they impact on the State of Michigan. Recent experiences in decisionmaking processes have as their bottom line cost to us in dollars and they make us a little more sensitive than otherwise would be the case, but we do have a serious situation and a good part of our employment problem is the result of decisions over which we did not have a great deal of control. We hope the allocation problem would address the depth of the problem as it exists in the State. It may be more a political problem. We intend to outline our problem and make some recommendation in that regard.

One principal allocation is that call that we incorporate for discretionary moneys to be used by the Governor.

On behalf of Governor Milliken, I want to underscore providing opportunities for the Governors to use their judgment and their discretion as they will, to be held accountable for the manner in which those dollars were invested.

While our problems were unique to Michigan, they may not be the same as the others have. Those other States might have problems which we do not experience. Discretion for use of funds ought to be reserved to the Governors for which they and their administrators would properly be held accountable.

We have outlined what the State effort ought to reflect. We believe we can achieve some objectives on behalf of all unemployed and particularly youth. We have encouraged attention to that.

If I were to encapsule what our recommendation is and what our statement calls for, we in Michigan on behalf of the Governor and Michigan would submit to the committee that it is not a question of expenditure of dollars, but a question of investing those dollars in

future careers and employment. Without this assistance, they probably would not have an opportunity.

Thank you very much.

Senator NELSON. Mr. Rudman.

Mr. RUDMAN. Mr. Chairman, I have submitted a prepared statement by the Lieutenant Governor of Massachusetts, Hon. Thomas P. O'Neill III, representing the Governor and a statement representing the State as a whole.

I would like to reiterate two points, one is the special role for Governors and second, under the mechanism for allocating these funds I will make some statements and I shall be very brief.

CETA recognizes the need for a special coordination role for Governors, and the same need for close working relationships between State and local governments certainly exists in any youth initiative. Most observers agree that the employment and training system is too fragmented. The unnecessary amount of overlap and duplication highlights the compelling need for coordination in the planning and delivery of services. This is especially true in dealing with the vast array of employability development programs and resources which have been established to serve youth, including local school systems, State employment service agencies, vocational and trade schools, community colleges, CETA, State youth service agencies, title XX programs, and apprenticeship programs.

While we feel that it is appropriate for a youth-oriented employment and training program to be administered through the CETA system, there is nonetheless the risk that the resources of the program could end up creating one more vast array of services which will further duplicate those already available, thus increasing the fragmentation of the system.

Governors are in the unique position of being able to foster, facilitate, and effect such comprehensive and coordinated planning and delivery of services. Thus, an effective way to insure that programs financed under this legislation are coordinated at the Federal, State, and local levels with other established programs for educating, training, counseling, and employing youth, is to spell out in the legislation a specific role for Governors which would give them full authority and responsibility to effect maximum coordination.

Therefore, 20 percent of all part C funds should be allocated directly to the Governors for the purpose of providing a streamlined and integrated delivery system. This will facilitate better service to clients who otherwise fall between the cracks of government programs.

This set-aside should be used for joint projects which will coordinate the efforts of the State education system, welfare system, employment service, CETA, rehabilitation and correction services, youth services, apprenticeship programs, Federal and State forest and park projects, and the myriad of other employment and training activities within each State.

Such joint projects would still be administered by the Governors. The set-aside could be utilized, for example, to establish programs for youth in State foster care programs or to create programs conducted by several State agencies which would be geared to youth with special needs.

I believe that an active role for the Governor is consistent with, and highly supportive of a decentralized system.

In fact, I feel that such a role can only fortify the current CETA system. The policies and activities of State agencies significantly affect the delivery of employment and training services at the prime sponsor level. Governors can insure that these State agencies facilitate and support the effective planning and implementation of prime sponsor programs.

A second modification which needs to be incorporated into the legislation is a clarification of the allocation formulas. The current funding mechanism does not insure that moneys will be distributed where the need is greatest. If this program is to serve those youth who are most disadvantaged, then a larger proportion of funds will have to flow to the urban areas.

We cannot allow a repeat of the inequities which occur under the CETA title III summer program for economically disadvantaged youth. Although Massachusetts this summer is receiving 26 percent more SPEDY funds than last year, the vagaries of the allocation formula have caused the city of Boston to receive virtually the same level of funds as last year.

To insure that there is an equitable distribution of part A funds, section 802 of the legislation should explicitly stipulate that projects may be carried out on State, as well as Federal, public lands or waters. This will protect those States which do not have many national parks and forests from being overlooked as possible job sites. Moreover, as in the case of the part B youth community conservation and improvement projects, a minimum proportion of part A funds should be guaranteed to each State.

CETA is based upon the sound premise that decisions regarding the specific types of employment and training programs to be funded should be made at the State and local levels where those making these resource allocation decisions are most knowledgeable about the particular needs of an area's unemployed and its employers.

I am therefore concerned that the utilization of half of the funds appropriated for part C would be determined by the national office of the Department of Labor. The most effective approach, I feel, is to maximize the amount of funds allocated by formula, with decisions made at the State and local levels.

There is the apparent risk, however, that a formula cannot be developed which will insure that the funds go to those youth most in need, and that the Secretary should therefore have the discretion to target these funds.

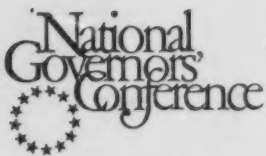
If, in fact, a formula cannot be devised which will insure that these funds go to the most disadvantaged youth, the Secretary should be granted the discretion to allocate the funds with the stipulation that they be allocated to areas, particularly older urban areas and the rural areas where there is the highest concentration of disadvantaged youth.

Thank you, Mr. Chairman.

Senator NELSON. Thank you, Mr. Rudman, for your punctual commentary on this legislation.

As I said earlier, the staff is preparing a summary of the various proposals which will be taken up and distributed to the members of the committee, and then it will be taken up when we begin to markup the legislation. Thank you very much.

[The prepared statements of Ms. Wills, Mr. Lerman, Mr. Molin, and Mr. O'Neill, and additional material follow:]



Reubin O'D. Askew
Governor of Florida
Chairman
Stephen B. Farber
Director

TESTIMONY
BEFORE THE
SUBCOMMITTEE ON EMPLOYMENT, POVERTY, AND MIGRATORY LABOR
COMMITTEE ON HUMAN RESOURCES
U.S. SENATE

BY

JOAN L. WILLS
DIRECTOR
EMPLOYMENT AND VOCATIONAL TRAINING PROGRAM
NATIONAL GOVERNORS' CONFERENCE

APRIL 22, 1977

The Honorable Gaylord Nelson, Chairman

Good morning Mr. Chairman and members of the Subcommittee. I would like to thank you for this opportunity to present the National Governors' Conference observations on a variety of employment and training programs. These comments are presented in behalf of the Conference as a whole and specifically for Governor Richard Kneip the Chairman of the Human Resource Committee of the Conference. He is unable to be here today.

We have a panel of four individuals with us today each representing their individual Governor. Each will briefly summarize their own observations and concerns and will be able to answer technical questions regarding the proposed new youth title. Each of them have responsibilities in their respective states for the oversight of CETA so they live daily with the realities of the impact of the CETA law and regulations. It is also important to note that three of the states represented today plus others like California throughout the country have passed state laws or have proposed to their own legislative bodies their own youth employment legislation. Hopefully the legislation you are considering here today can be complimentary to these efforts.

Prior to specific observations regarding the youth initiative proposals the Conference would like to comment on the proposed extension of CETA.

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The Conference has no specific time period we would like to suggest, but certainly a simple extension of the authorizing legislation seems appropriate. There are many areas of CETA which ultimately need to be refined, especially needed is a clarification of the role of the Governor. But it is our view that part of the solution is to address some of the more immediate issues confronting us. The rationale for a simple extension from a Governors perspective is that welfare reform is high on our agenda and an integral part of any welfare reform program in this country must include a strong jobs and job training component. We recognize that today is not the appropriate time to discuss in detail manpower related issues involved in welfare reform we mention it to reinforce the need to delay the rewrite of CETA.

Yet another reason to delay a substantial revision of CETA is that legislative review is needed regarding the appropriate role of a public employment service agency system. This area deserves resolution prior to the re-enactment of CETA. Currently NCC is commissioning studies on just this issue and the Human Resource Committee hopes to have recommendations regarding the federal-state relationships via-a-vis the Employment Service by the end of the summer. We will be anxious to share our recommendations with you and other appropriate committees at that time.

Another consideration supporting delay is that we are only a few months into the implementation of the Vocational Education Act of 1976, which allows us to develop better bridges between the States and local education agencies and the CETA system. A year from now we should all be able to identify what changes, if

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any are needed in the CETA legislation which could be more supportive of the companion vocational education systems.

The fourth and final reason to delay the rewrite is probable establishment of a new Title under CETA focusing on the needs of youth.

The Administration's two proposed amendments to CETA do not seem necessary at this point and are possibly counter productive to a broader agenda.

Governor Kneip indicated in his testimony before the House that he nor any other Governor to his knowledge is opposed to providing services to veterans who have served their country in combat. However, a national goal of 33% of all public service jobs for veterans is unrealistic, particularly if the goal is to be even more detailed to focus on disabled veterans, then 20-27 year olds, then other Viet-nam era veterans, then all other veterans. The young men and the very few young women who would qualify are not geographically distributed, nor are all of them in need of services over and above that which is available from the Veterans Administration. The labor Department initiative already underway to hire almost 2,000 additional veteran representatives from their own ranks to act as brokers should suffice to assure the special preferences which the Administration is seeking plus the special program HIRE which is also targeted toward veterans.

National preference beyond the eligibility criteria already incorporated in Title VI could cause unanticipated inequities. For example, the unemployment rate for women could potentially warrant the same kind of preference being suggested for veterans

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but such arbitrary targeting would not necessarily assure equity.

The proposed repeal of section 4a does not appear to have any substantive need incorporated with the request, particularly if the proposed new Title for youth legislation is acted upon in a timely manner.

The Conference has had a long standing policy urging the Congress and Administration to provide a sufficient resources through the prime sponsor network to avoid to the maximum extent possible duplication of delivery systems. A repeal of the 201 limitation would establish a pattern of the development of more programs administered at the national level which will further fragment services to those individuals most in need of services.

We would like to turn now our attention to the proposed youth legislation. First it should be noted the Governors during their recent mid-winter meeting reviewed and approved a policy statement regarding the employment needs of youth. The Governors recognize the nation cannot continue to ignore the severe and chronic problems of youth which have been exacerbated by the recession. The key ingredients of that policy statement are:

1. The establishment of a new Title under CETA after the legislative review and debate.
2. Targeting the bulk of the funds to economically disadvantaged youth, aged 16-22, since they have the highest unemployment rate and are most severely affected by the dilemmas of the labor market.
3. The current state and local advisory council mechanisms of CETA which represent a wide range of citizen

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concerns and involvement, should be utilized because they have developed during their brief existence the best expertise and awareness of programs and resources within the state and local communities. Any creation of a duplicative set of structures would undermine the ability of these citizens groups to ever achieve their full potential.

4. The position also calls for a set aside for Governors.

As the chief executive officer of the state, the Governor has the unique responsibility to assure that some logic and targeting of scarce resources is achieved. Funds need to be available at the state level to adequately provide employability development opportunities to youth who are wards of the state, either under protective services care or a ward within the state correction systems. Occupational and labor market information collection and dissemination are state responsibilities within the framework of the current federal/state partnership programs and flexible money is needed to assure dissemination into sub-state areas in a coordinated manner including funding of such things as joint career guidance programs in the school systems, utilizing the experience of the employment service, teachers, and community college personnel.

5. The new Title should be implemented in conjunction with existing CETA, ES, and other related programs. CETA Title I training programs, in particular, are essential and should be continued at least at current levels.

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6. The Governors also supported the doubling of Job Corps with continued decentralization at the regional level with the stipulation that recruitment should be done through CETA since it is the primary employability development system at the state and local levels, and a residential center should be a viable option for youth entering through the doors of the CETA program.

Before addressing the details of the proposed new title it seems appropriate to make two observations.

The national recession has generated much confusion for all of us when making attempts to suggest appropriate social policy and such confusion is reflected in the proposed new youth legislation. It assumedly is recognized by all of us here today that youth unemployment is severe and chronic and many young people lack marketable skills. Youth who have dropped out of school generally have sent out "warning signals" to society years before the day they leave the school room for the last time. Even those who have stayed in school often lack knowledge of career options and need a period of time to explore a range of job opportunities but are frustrated due to their inability to penetrate the primary labor market. The present major thrust of the proposed legislation focusing on one year jobs with minimal emphasis of remedial or

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skill training plus the implication this total program is a short term counter cyclical thrust is disturbing. Hopefully, legislation can be passed that recognizes the employability development needs of our young people and not one which will ever promise and assume a "good job" twelve months after they enter the program.

The other general concern is one perhaps best labeled as the "intergovernmental responsibilities dilemma". This concern is perhaps most obvious to those of us concerned about making state government a manageable, workable unit that is capable of being responsive to its partners at the federal and local levels in the context of this proposed legislation. The Governors, when considering the policy resolution which was referenced earlier did not ask for a "state block grant" for all the funds. They clearly recognized the appropriate role of local governments in delivering direct services in a manner which makes sense at the local level. Instead they are asking you and the Administration to recognize that unique responsibilities and opportunities exist at the state government level which if ignored will render null and void the first word in the CETA act, comprehensive. The Department of Labor has just recently strengthened the role of state apprenticeship councils yet there is no recognition in this legislation which would provide appropriate linkages between that DOL sponsored initiative and the CETA structure. The employment service system, a state administered program is yet another example of a structure briefly reference although we have a good opportunity to link and indeed improve their labor market information responsibilities and expertise with that of the education

-b-

communities to provide career options information within the school systems. Wards of the states mentioned earlier more than likely will not receive job training services unless we recognize now they, perhaps more than most youth, need specialized intensive support.

We would like to also suggest that not all research and demonstration activities belong at the federal government level. Partnerships between state and local units of government and community based organizations need to be tried and tested. We therefore strongly urge you to develop language which would set aside funds to help achieve this critical linkages. We would suggest that perhaps the appropriate model already exist in the CETA Title I formula mechanism where 10% of the funds are currently allocated for unique state responsibilities.

This leads us to our second concern in the intergovernmental dilemma arena the appropriate role of the federal government. Our particular concern focuses on the proposed 50-50 split funding scheme under part C. Our preference is to see a larger percent allocated by formula using the model already incorporated in CETA with 80% of the funds allocated to prime sponsors by formula and 20% for use at the Secretary's discretion. To put the Department of Labor back into the pre-CETA business as major project managers is a step backward in our view and will divert their attention away from the activities for which only they have responsibility. Specifically, we would suggest the Department needs to improve their monitoring techniques, evaluation capability, their training and technical assistance efforts, focus on improving the critical lack of information dissemination and assuring that equal employment opportunities mechanisms are enforced.

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Equal access to jobs will no doubt be a very real issue which must be addressed particularly under the proposed parts A and B for young women due to the fact these proposed activities are in occupations which have not been traditional jobs for females. If the Department of Labor does not focus its energies on these critical activities, our intergovernmental system will remain confused.

Now to specific concerns under part A; there are two specific suggestions. The proposed Sec 806 language is somewhat confusing. It currently states ... the Secretaries of the Interior and Agriculture may make grants or enter into other agreements, after consultation with the governor, with any state agency or after consultation with the appropriate state or local officials ---- we would suggest the language be altered to read after consultation with the governor and appropriate local elected officials.

A more pervasive concern exists regarding geographical distribution. There is a need to assure that funds under part A are adequately distributed to all parts of the country particularly close to the areas with the highest unemployment population resides. One of two methods may be used to help guarantee this. A flat set aside for state and local parks and forest similar to the 30% criteria which exist in the current YCC legislation or a percentage set aside mechanism like that suggested in the proposed part B.

The Governors Conference has no position per se which would adequately address the proposed part B in terms of program design except to restate our concern that funds should be targeted to 16-22 year olds and the economically disadvantaged. We do not feel that any further comments would be appropriate though others here

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today have comments reflecting their own state concerns.

Under part C we have already stated major concern indicating a preference for an increase in the formula allocation including a set aside for Governors. We fully recognize the problems of the lack of sufficient statistical information regarding youth unemployment and are anxious to see a computer print out of the impact of the proposed administration's formula as well as the proposed formula suggested by Senators Humphrey and Javits. It should be clearly understood the Conference recognizes that a crises exist in our large urban areas and we think the funds should be appropriately targeted.

The employability development focus referenced earlier appears to be inadequate for out of school youth. We also feel that a career options program for in school youth is critically needed. The secondary and post-secondary education institutions, with its ongoing programs, should play a role in the total effort since the problem of youth unemployment must be addressed in a broad context which includes occupational counseling, education, and skill training.

In addition to the employability development and career options strategies, there needs to be emphasis on linkages with the private sector since placement in an unsubsidized job must be the ultimate objective of the youth employment programs and the bulk of jobs are in the private sector. Perhaps a modified and expanded apprenticeship program would be an appropriate initiative.

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We would like to sound a note of caution regarding the maintenance of effort provision related to ongoing CETA Title I youth programs. Approximately 60 percent of the current Title I enrollees are youth. The maintenance of effort provision would require prime sponsors to maintain their Title I programs for youth in addition to those activities funded under the proposed new youth title. Our feeling is that such a requirement would seriously jeopardize the comprehensive, decentralized and flexible nature of CETA Title I and lock prime sponsors into programs and services that may be duplicative and inappropriate given the enactment of a new CETA youth title. While we recognize the need is to expand services, we also are fearful of generating an administrative monster which serves no one well.



State of Wisconsin \ GOVERNOR'S MANPOWER OFFICE

Governor Patrick J. Lumley

PHILIP E. LERMAN
EXECUTIVE DIRECTOR

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PHONE (608) 264-6871

May 2, 1977

Senator Gaylord Nelson
United States Senate
Senate Office Building
Washington, D. C. 20510

Dear Gaylord:

Please forgive my delay in answering your question of Friday, April 22nd. In order to be certain of our figures we did a double run, as well as doing actual head counts in the Southern Area Board of Balance of State.

In 1976 education institutions represented 32% of the public work force eligible for PSE in the State of Wisconsin. As I had indicated in my testimony, Wisconsin has dealt fairly with education institutions in the distribution of PSE funds. For fiscal 1976, 37.85% of public service jobs went to education institutions in the Southern District alone.

We would have to do an actual count of all grants in order to give you statewide distribution but we are certain that it flows from a low of 30% to a high as indicated in the paragraph above.

As you can see, I stand by my original statement. If you feel it necessary, we shall be glad to go through the grants. Please let me know.

Sincerely,

PHILIP E. LERMAN
Executive Director
Governor's Manpower Office

PEL/ng
cc: Richard Johnson
Joan Wills

TESTIMONY BEFORE
SUB-COMMITTEE ON EMPLOYMENT, POVERTY
AND MIGRATORY LABOR

COMMITTEE ON HUMAN RESOURCES

U. S. SENATE

By: Philip E. Lerman
Executive Director
Governor's Manpower Office
State of Wisconsin
April 22, 1977

I would like to begin my comments with a very strong commendation to the Congress and the Administration for their efforts in developing this first Comprehensive Youth Employment bill and their wisdom in building it into the existing CETA structure. The passage of this bill will be the first truly significant step toward the resolution of the massive unemployment problem that faces all of the young people of this country. It will also, for the first time, give the state and local CETA Prime Sponsors sufficient resources to begin to adequately deal with the problem without having to make the impossible choice between the unemployed parent and the unemployed son or daughter.

While a very laudable, necessary and historic step toward the solution to the youth problem, this bill does not, of itself, provide the solution. It will continue to require the exhaustive efforts of all of us, working together, to realize the fruits of this first step. And as we all know, it will take many more such steps to achieve the solutions.

In the spirit of the cooperative effort represented by this piece of legislation, I would like to offer several minor changes. Changes that will, from our perspective, strengthen the bill and increase its effectiveness in implementation. I would also like to comment briefly on the amendments being offered by Senator Javits.

Basically, the changes we would suggest to the legislation as introduced are of three types. The first would more clearly focus or target the opportunities available under the Act to those most in need. Even at the funding level suggested by Senator Javits there would be many more unemployed and low-income youths than could be served. And it seems critical to us that these limited resources be targeted to meet the needs of the unemployed and low-income exclusively.

The second change would seek to more fully integrate the programs and activities authorized by this bill into the existing CETA system at the state and local level. This integration will require very considerable effort from Prime Sponsors and a spirit of cooperation that has not always been present in the past. But we personally feel that this integration is absolutely essential to a Comprehensive Employment and Training Program and we stand ready to do whatever is necessary to make it succeed.

Third, we would propose several changes that would allow and encourage a freer movement of enrollees between activities under this title and other activities under other existing titles of the Act. This would require a consolidation of eligibility criteria and greater use of Prime Sponsor's intake systems and programs in the recruitment for opportunities under this title. Most of the integration related changes will work toward this end, but we feel that it is important enough to merit

specific clarification. A youth presently enrolled in a CETA Title I program should not be prevented from securing a needed job under this title because of an ambiguity in the legislation.

Youth Employment and Training Act

Part A: National Youth Adult Conservation Corps

Concerns:

1. Employment opportunities in the NYACC would not be targeted to the low-income and unemployed youth most in need of these opportunities.
2. Programs under this part at the state or local level may not be integrated or coordinated with other activities under other titles of the Act.
3. Youths on a "waiting list" (intake pool) or receiving services from a Prime Sponsor would not be assured of an opportunity for needed employment and training under NYACC.

Amendments:

Section 801

Eliminate the word "productively" to make clear the targeting of the Act to low-income and unemployed. Amend the section to read, "to provide employment and other benefits to youth from low-income

...~~activities and who would those not otherwise be currently employed,...~~

Sec 802

Amend this section to make clear that the interagency agreements with the Departments of Interior and Agriculture shall specify the linkages between this program and existing CETA system. Add at the end of the second sentence "which shall specify the linkages between activities under this part and activities authorized under other titles of the Act." Delete the word "selection" from the last sentence and substitute the word "final selection."

Sec 803

Amendments to this section to conform with the changes suggested in sections 801 and 803.

(b) (1) (A) - Change first phrase of first sentence to read "shall be unemployed and have attained age 16 but not attained age 22:"

(c) Change to read "first preference for membership in the Corps shall be given to those eligible under this part who are referred from activities under other titles of the Act and to persons who reside in areas determined by the Secretary."

Sec 806

Amend this section to more clearly require consultation with the Governor and the State Manpower Services Council prior to the development of agreements with state or local agencies and

organizations for the conduct of projects under this part. The purpose of this amendment is to prevent duplication, and ensure coordination with, related activities and projects under other titles of the Act.

Change this section to read "...the, secretaries of the Interior and Agriculture may, after consultation with the governor, make local government or other public or non-profit agency or organization (which has been in existence for at least five years) for the conduct of any project under this part on federal or non-federal public lands or waters."

Part B: Youth Community Conservation and Improvement Projects.

Concerns:

1. That programs and projects under this part be integrated at the state and local level with the existing titles of the Act.
2. That the project approval process under this part be consistent with the project approval process already in place under Title VI.

Amendments:

Sec 611

Clarify the intent that projects under this part be integrated with existing programs and activities. Change the last part of this sentence to read "supplementary and complimentary to, but not replacing or duplicating opportunities available under Titles I, II, III, and VI of this Act."

Section 816

- (c) (1) The inclusion of the Secretary in the approval process of individual project applications is not consistent with the remainder of the Act and adds unnecessary time and administrative burden.

Amend the first sentence to read "In order for project applicant to be approved by the eligible applicant, copies of such application shall..."

Section 817

- (a) To be consistent with the suggested change in Section 816 above this subsection should be deleted and the remaining subsections renumbered accordingly.

Part C: Comprehensive Youth Employment and Training ProgramsConcerns:

1. That programs under this part be integrated into the existing CETA system.
2. That the method of allocation be based on the number of unemployed and low-income youth.
3. That the existing CETA Prime Sponsor system be used as the primary vehicle for the delivery of services on this part but based on the needs of youth rather than grantsmanship.
4. That welfare recipients continue to receive priority for services under this part.

Section 831

Amend this section to include the words "and complimentary" and "or duplicating" in the first sentence as suggested above for section 811.

Section 832

Amend to make clear that the programs and activities authorized under this part are as determined by the Congress. Delete the words "subject to such terms and conditions as he deems appropriate" from the first sentence of this section.

Section 833

Amend this section to make the allocation factors consistent with the purpose as need and the process consistent with the remainder of the Act.

- (a) Delete the language contained in this subsection and substitute the amendment to (a) introduced by Senator Javits.
- (d) Delete the words "fifty percent" and substitute the words "twenty-five percent."

Section 835

- (a) (3) Amend this subsection to remove the unnecessary and costly adjustment to each public assistance recipient's income to "count" that small amount they would continue to receive if they received employment under this part. The "cost" of these individual adjustments more than offsets any "benefit." Delete the words "which the individual will be disqualified from receiving by reason of assistance under this part."

The Javits Amendments

As indicated in our earlier remarks, we very strongly agree with the two amendments that would change the basis for the allocation of funds and the amount of funding to be made available. We feel however, that the "categorization" implicit in the "15%" amendment and the CETA funding and role of the National Occupational Information Coordinating Committee will reduce the effectiveness of this youth effort. We therefore suggest that these two amendments be deleted and the original language retained.

Concerns:

1. Compromises local autonomy of Prime Sponsors by mandating "joint administration" with local education agency (agencies).
2. Would create an unwieldy management situation for those Prime Sponsors whose jurisdictions encompass a multiplicity of local education agencies.
3. Completely changes target group population from out-of-school, out-of-work youth to in-school participants.
4. Duplicates the already in place Vocational Education legislation which provides for part-time employment for in-school youth.
5. Adds additional counselors in local education agencies whose responsibilities would duplicate the duties of counselors already provided for by the Vocational Education legislation.
6. Stipulates 3 to 5 million fiscal year dollars for National Occupational Information Coordinating Committee, which exactly duplicates previously provided monies in Vocational Education Act.
7. Takes already inadequate CETA funds and, in effect, transfers same to school administrators for purposes of shoring up vocational education coop programs which are funded by other federal, state, and local tax dollars.
8. Puts significant strain on available public service employment positions by inserting multi-thousands of in-school youth into part-time jobs in this sector.
9. Creates on-job supervisory problems on a very large scale for potential cooperating public and private employers.

REMARKS

Keith Molin, Director
Michigan Department of Labor

before the
Subcommittee on Employment, Poverty and Migratory Labor
Senate Committee on Human Resources

regarding
Youth Employment Act of 1977

Friday, April 22, 1977
Washington, D.C.

Summary of Michigan Labor Director Keith Molin's remarks:

1. Broaden bill to include in-school youth.
2. Structure program to insure that, to the maximum degree possible, youths completing training will be assured permanent jobs in the private sector.
3. Avoid dead-end jobs that last only as long as it takes to spend the government grant.
4. Allocate funds strictly on the basis of equity and need.
5. Incorporate program that provides part-time jobs for those who are completing their education.
6. Limit eligibility to participants between the ages of 16 and 19.
7. Maximize job opportunities and training in the private sector.
8. Eliminate family income as factor in allocating funds.
9. Make relative unemployment, adult and youth, the main criteria for funding.
10. Allocate funds to governors for development of local programs and coordination of federal-state-local job-training activities.

Mr. Chairman, Members of the Committee:

I appreciate the opportunity to present my comments on the proposed Youth Employment and Training Act of 1977.

As the Director of the Michigan Department of Labor, and on behalf of Governor Milliken, I would like to commend the President for his initiatives in this important area.

The problem of jobless youth is not a new problem. The problem of jobless youth is a growing problem. Twenty-five years ago the jobless rate for teenagers was about 5 percentage points higher than the adult rate. By 1975, teenage unemployment was out-stripping adult unemployment by nearly 13 percentage points, despite the fact that teens then and now comprise a minority of the workforce.

In the nation today, those under 25 years of age account for nearly half of the unemployed. And more than 20 percent of the total unemployed are teenagers who comprise only 10 percent of the labor force.

Non-white teenagers -- particularly those who live in urban areas -- have it even worse.

In the last quarter of 1976, the jobless rate for all teenagers was 19 percent. The rate for non-white teenagers was 35.8 percent.

The situation is even more acute in Michigan.

In 1975, the jobless rate for Michigan teenagers -- those between 16 and 19 -- was 24.5 percent. In human terms, that is more than 108,000 youngsters frustrated in the job market.

The jobless rate for non-white teenagers was more than twice as high -- 47.4 percent, or 18,000 youth.

The sheer magnitude of the number of unemployed youth in Michigan is significant. But equally significant, and alarming, is the intractability of the problem.

The number of unemployed youth in Michigan did not drop significantly from 1975 to 1976, despite improved economic conditions and a sharp decline of about 100,000 in the number of adult unemployed.

I would like to be optimistic and say that we have seen the worst. In the face of such statistics, however, I cannot be.

I do not mean to suggest that past efforts to solve the teenage unemployment problem have been complete failures. Nor do I suggest that those failures have been the result of neglect in addressing the problem.

The situation should compel us to look again at the somber facts and begin making a series of reasoned decisions on how we are to proceed.

The bill before this committee represents an opportunity to move boldly in new directions in our nation's continuing struggle against the social and economic dislocation of youth employment.

To that end, I would urge this committee, and the Congress to insure that the large but limited amount of money the bill provides is invested in the most productive way possible -- in

programs that will make our youth not merely employed, but employable in the real sense of that word.

Consider, for example, that nearly 40 percent of the funds in the bill -- the \$350 million for the national Young Adult Conservation Corps and the \$250 million for the Youth Community Conservation and Improvement Projects -- are to be spent for jobs that will last only twelve months.

But what of those jobs? For the most part, they will yield a paycheck to the workers only as long as it takes to spend the \$600 million.

I don't dispute that a good deal of productive work may be accomplished -- particularly as it involves some worthy conservation projects, the repair and rehabilitation of urban housing and the winterization of the homes of the elderly and impoverished.

Yet, the young men and women participating in these programs will for the most part leave the payroll with no more job skills -- or employability -- than they had when they entered.

And unless a tremendous job market develops for leaf-raking, or other such dead-end employment, these young people will be back to square one -- out of school, out of work and, I am afraid, out of hope until another federal grant is provided.

I am acutely aware of the national need to provide productive tasks for the growing army of jobless youth -- particularly as we approach what could be another long, hot summer.

Therefore, I support a limited allocation of the available funding for labor-intensive, fast-track projects that are envisioned in the bill.

I do not believe, however, that we will be meeting our responsibilities by simply appropriating large sums of money to create temporary public service jobs.

Therefore, I urge this committee to change the focus of this bill and commit a far greater share of the funds to projects that will give our youth something of value -- job experience and training that will make them truly employable in the future in unsubsidized jobs.

This could be accomplished in part by a substantial addition of funds to Part C, the Comprehensive Youth Employment and Training Program, which supplements activities currently assigned to prime sponsors under CETA Title I.

As you are aware, half of the \$900 million in Part C is to be given the Secretary of Labor for discretionary allotment. I don't question the Secretary's ability to allocate those funds to the best advantage of the program. But I think that the criteria for allotment ought to be more carefully spelled out, perhaps requiring that the funds be directed to areas where unemployment, youth and adult, is highest.

I would like to make one further comment regarding funding allocations in Part C.

The formula for the non-discretionary funds gives proper 75 percent weight, I believe, to the relative number of unemployed persons within the state.

But I question whether the remaining 25 percent weight should be given to the relative number of persons in so-called low-income families.

A better factor would be the relative number of eligible unemployed youth within the state.

For instance, in a typical Sunbelt state, where wages tend to be low by northern standards, there would be an inordinate number of persons earning less than 70 percent of what the Bureau of Labor Statistics calls a lower living standard income.

In Georgia, for instance, 20 percent of the population was counted below the so-called poverty level in 1976. Yet the state had a jobless rate of only 8.1 percent.

By contrast, in Michigan, with a 9.4 percent jobless rate, there were only 9.4 percent -- the same percentage -- classed below the poverty line.

Needless to say, Michigan -- a state with extreme numbers of unemployed -- will receive appropriately greater assistance if income levels are not a factor in the allocation formula.

This legislation could also be strengthened by incorporating a number of amendments already proposed in both the House and Senate.

One such amendment, by Mr. Javits of New York, would permit establishment of appropriate employment and training programs for job-seeking youth still in school. As Mr. Javits has pointed out, a major defect in the pending legislation is its failure to recognize that one-third of the 3.1 million youth (16 to 24 years of age) looking for a job today are still in school -- a situation that has not changed substantially over the past 10 years.

I support the establishment of such programs for job-seeking youth still in school.

Professor Bernard E. Anderson, in his evaluation of federal manpower programs, concluded that the most effective programs were those that provided on-the-job training and assured the participant that he or she would be hired when the training was completed. And the further the job training programs departed from that ideal, the less successful they were.

A program that would take us a long way toward that goal -- assured employment for trainees -- may be possible through an amendment offered by Mr. Sarasin of Connecticut.

His proposed Youth Incentive Act would guarantee a part-time job to any economically-disadvantaged youth who resides in an area of substantial unemployment who continues or reenters high school or goes into a program that leads to a high school equivalency certificate. Youth in the program also would be guaranteed employment during the summer.

I support the Sarasin amendment.

I would like to refer to your attention another promising program which is being implemented in Michigan.

Governor Milliken has asked the Legislature to appropriate about \$13 million for a two-part program to provide employment opportunities and job training for Michigan youth.

The first phase of the program will provide summer jobs for approximately 2,000 youth this year. The second phase, to begin with the start of the new fiscal year in October, will

concentrate on those youngsters whose needs are the greatest -- urban and rural youth who are economically disadvantaged.

The program has a misleadingly small price tag -- if you count only the state dollars that are required. However, the \$13 million could -- and should -- be multiplied many times by the addition of federal funding under the present CETA program and the added funding envisioned in the new Title VIII.

Governor Milliken has directed the Michigan Department of Labor, which is designing the program, to do more than merely provide dead-end jobs for teenagers.

He has directed that those jobs be of the type that yield more than just a paycheck. They also must yield the training and assistance the youngster needs to secure a permanent job in the private sector that is not dependent on a government subsidy.

Therefore, to the extent possible, these jobs will be in the private sector -- where the prospects are better that the new hire, after training, will be able to remain on the payroll long after the program funds are spent.

The Governor is making a special plea to business and industry to assume a major responsibility for and a commitment to the program. And I am happy to report that Michigan business is responding.

Increasing concerns over the dramatic slowing down in the growth rate of productivity and the continuing growth of public service employment, combined with the intractability of the youth unemployment problem, makes it evident that public employment and training funds must increasingly be invested in the private sector and targeted on jobless youth.

Unlike the traditional public service employment outlay, the Michigan program will likely have an anti-inflationary impact. You can get a debate on the subject, but it is my belief that public employment programs do contribute to inflation, basically because they do not contribute to production of marketable goods or services. Nor do they provide the workers with marketable skills.

There are other advantages to subsidization of the private sector that would not accrue under public services programs.

The private sector approach to stimulating employment and training can incorporate the advantages associated with the market system.

For example, the types of output produced and the skills acquired by the trainees will be governed by consumer and other market demands.

Put another way, the skills acquired will be marketable -- a guarantee that has not been, and cannot be, provided through public service employment.

The advantages of employment experience in the private sector undoubtedly are more easily transferred to other non-subsidized jobs.

I believe the Michigan youth employment program, as well as similar efforts in other states, should be funded under the administration's youth employment programs as part of the "new directions" to which I referred earlier.

This could, and should be, accomplished by earmarking an appropriate portion of the available funds -- I recommend 20 percent -- for discretionary use by the governors of the states.

These funds could be put to good use in development of innovative job training programs geared to the unique requirements of their states.

These funds also would enable the governors to coordinate the myriad of federal-state-local efforts of CETA, the employment service, education and corrections systems and other agencies involved in employment and training.

I am concerned about the overall funding provisions of the administration bill, and urge the committee to examine them carefully.

My main concern is that the funds will not necessarily be directed to those areas and those youth with the greatest employment needs.

Admittedly, \$1.5 billion is a great deal of money. But I submit, however, that that sum is dwarfed by the immensity of the problem we face.

We estimate, for instance, that Michigan could receive as much as \$75 million under the bill. Yet, we have approximately 200,000 jobless youth, 16 to 24 years of age, who would be eligible under the program.

And if we spent \$10,000 on each participant, the average annual cost for a full-time CETA worker, we could assist only 7,500, or 4 percent, of our jobless youth.

Therefore, in order to stretch those limited funds and to insure that they are directed at those with the greatest need, the eligible age-range for participants ought to be restricted to the ages of 16 to 19.

On that basis, Michigan and the other states with extremely high youth unemployment rates could assist a far greater number of those whose employment needs are most crucial in terms of both their short and long-range employability.

Finally, I would direct your attention to section 813(a) of Part B, which stipulates that no less than one-half of one percent of the \$250 million provided in that part shall be allocated to any one state.

That section makes a similar provision for Guam, American Samoa, the northern Marianas and the Trust Territories of the Pacific Islands, insuring that they will share at least one-half of one percent of the funds.

I confess that I do not know precisely the specific needs of the 50 states as they relate to youth unemployment. Nor can I accurately estimate those needs for the Virgin Islands or the other political jurisdictions enumerated.

But I can tell you this: that kind of blanket allocation, made without reference to equity, should be eliminated from the bill.

Michigan has paid a heavy penalty because of that kind of appropriations policy.

Michigan has been buffeted by other federal policy decisions over which we seem to have little control.

I refer to the federal decision to close Kincheloe Air Force Base -- located in a county of Michigan's Upper Peninsula where the jobless rate already is more than three times the national average.

I refer to the federal decision not to build the Army's new supertank in Michigan, where the unemployment rate remains well above the national average.

I refer to the federal decision to build the new Solar Energy Research Institute in Colorado, where an arid economy already has been made to bloom through federal largesse.

Decisions such as these, and others too numerous to be mentioned, mean that Michigan has lost millions of dollars and thousands of jobs to other states more favored by political decisions.

As a result of those kinds of decisions, Michigan's taxpayers are perhaps the most abused of any state in the nation -- receiving back only 65 cents of each tax dollar they send to Washington.

And, I might add, no other state in the nation -- or trust territory in the Pacific, for that matter -- gets back less.

Therefore, I would urge the people of Michigan -- and particularly Michigan's congressional delegation -- to go to the Washington window and shout: "I'm mad as hell and I'm not going to take it any more!"

Gentlemen, if that be treason, then I say let's make the most of it.

In closing, I would like to commend the Administration and the Congress for one further effort to attack the problem of youth employment.

I would like to thank you gentlemen for your time -- and for what I hope will be your assistance in insuring that the end product of our collective efforts is not just the expenditure of more public dollars, but an investment in our nation's youth, which is an investment in our nation's future.

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PREPARED STATEMENT

Submitted To The

SUBCOMMITTEE ON EMPLOYMENT, POVERTY, AND MIGRATORY LABOR
COMMITTEE ON HUMAN RESOURCES

UNITED STATES SENATE

by

Honorable Thomas P. O'Neill, III

Lt. Governor of Massachusetts

April 22, 1977

Mr. Chairman and members of the Committee, I appreciate this opportunity to submit testimony on S.1242, the "Youth Employment and Training Act of 1977."

I would first like to urge the Committee to endorse a simple, one year extension of the authorizing legislation for the Comprehensive Employment and Training Act of 1973 as proposed in H.R. 2447. It is my view that there are several issues which need to be addressed and resolved before major revisions in the CETA legislation are considered. Clearly, time is needed for a thorough and comprehensive evaluation of the effectiveness of CETA as an employment and training program. In effect, CETA represents a new era in the method of delivering government services. The implementation of a de-centralized, de-categorized program has involved far-reaching changes, and it has taken some time for administrative and programmatic problems to be ironed out. Now that CETA has passed these hurdles and has "found its balance," so to speak, it would be appropriate to examine its premises and to assess the social and economic effects of this new approach to the planning and delivery of employment and training services.

An additional period before major revisions are made would also allow time to thoroughly review the CETA allocation formula. The current funding formula for Title I discriminates against our nation's largest cities. Thus, many of the urban areas - and their accompanying sizable populations of disadvantaged citizens - are not receiving an equitable share of CETA dollars. As a result, many of the most disadvantaged

clients are not being served. In addition, the recent Title VI legislation has caused a new more cooperative and effective relationship to be forged this year between CETA Prime Sponsors and the state Employment Service agencies, and it will take some time for the appropriate roles of these two systems to be developed. Similarly, we are also only a few months into the implementation of the Vocational Education Act of 1976. Hopefully, this Act will provide us with the opportunity to create some long-needed coordination between local educational systems and the CETA system.

And, most importantly, it appears that this year may bring some major reforms to our welfare system. The effectiveness of employment and training programs in preparing and placing the disadvantaged in unsubsidized jobs is fundamentally related to the coverage, benefits and incentives of income maintenance programs. Any revisions of CETA should therefore await substantial welfare reform which, I might add, is long overdue.

I would also like to emphasize that CETA public service employment resources should be allowed to foster the development of non-profit projects which have the potential for creating self-sustaining jobs. In Massachusetts, as in a number of other areas of the country, we face a long-term problem of slow job growth as well as cyclical unemployment, and we need to use every available resource to create unsubsidized jobs. A major obstacle to the effective use of CETA for job creation is the excessively restrictive interpretations of the CETA statute and regulations that have been made, particularly the restrictions placed on the use of program income. The original CETA legislation specifically states that it is the purpose of the Act "to provide job training and employment

opportunities...and other services leading to maximum employment opportunities." And the Conference Report which accompanied the Emergency Jobs Programs Extension Act of 1976 reads in part: "...The conferees expect Prime Sponsors to provide a substantial portion of the project funds to non-profit agencies which...insure that real, new jobs are created." If the income of CETA projects could be retained and re-invested, rather than in effect applied to reduce the amount of the CETA grant, then some projects might have the chance to become self-sustaining, and the intent of the CETA legislation would be further upheld. Obviously, this should only apply to those projects which will not displace existing jobs or business.

Before CETA resources can be utilized to create permanent unsubsidized jobs we need one of three things: a re-interpretation of the Title VI provisions, a waiver applicable to job creation projects meeting certain standards, or a change in the regulation. We must have one of these changes before we can utilize public service employment as a long-term investment in our human resources and the health of our economy and not solely as a short-term counter-cyclical expenditure.

The Comprehensive Employment and Training Act has been a wise investment in human resources and it is the best system for a youth employment and training program. In this regard, I fully support the efforts being made by President Carter and by the Congress to deal with the problem of unemployed youth. We cannot afford to have large numbers of disadvantaged youth in our Nation who have few skills, little education, and scattered, if any, work experience. I congratulate Congress and the Administration for vigorously pursuing the commitment toward a comprehensive employment and training program which will provide this country's young people with useful work and training opportunities and which will enhance

their prospects for productive careers and added self-fulfillment throughout their lives.

This Act is a first step in resolving one of the nation's major concerns, and I strongly endorse the concept of a year-round youth employment program. Summer and part-time programs, although of importance, do not address the heart of the youth unemployment problem, for they cannot truly help this country's young people gain a basic understanding of the work force, develop a positive attitude and commitment to the work world, acquire marketable skills, and develop the maturity necessary to make the difficult transition from the classroom to the workplace. I feel, however, that a year-round program can make real inroads by providing a continuous environment to aid youth in developing the positive attitudes and necessary skills for employment.

I am also in favor of the intent and programmatic content of the legislation. It clearly recognizes the scope and the complexity of the issues involved in youth unemployment. Providing occupation-specific skill training and then placing individuals in jobs is a way of dealing with the adult unemployment problem. Not all youth, however, and particularly those aged 16-21, should be pressured to make career choices prematurely or to take any available job. Simply creating "work slots" for youth could cause them to leave school too soon, get trapped in "dead end" jobs, and eventually require more public aid in the form of financial, rehabilitative or correctional assistance. Youth need time to mature-- to go through the difficult transition to adulthood-- before settling down in a career path. This bill recognizes the danger of simple solutions. It avoids the pitfall of being myopic. It does not suggest that the solution to the problem of youth employment is the

short-run perspective of "putting kids to work."

In addition, it provides for an array of programs and services that are essential in dealing with the broad spectrum of needs and problems of young people. By maximizing the choices available to youth - job sampling, vocational exploration, work experience, skill training - it provides a better opportunity for the best possible match between an individual's needs and the available services. Similarly, the bill allows the degree of flexibility required if Prime Sponsors are to tailor their programs to the needs of local youth.

I am also in agreement with the target population identified in the bill. Youth between the ages of 14 and 24 are most often cited as being in need of special employment services and training programs. The flexibility of "stretching" the various parts of the legislation to include those under 16 and over 21 is a vital ingredient. The employment and training needs of youth do not conveniently begin at 16 nor necessarily end at 21. The bill addresses the needs of economically disadvantaged youth by emphasizing that priority should be given to this group. I hope that the legislation would further highlight the need to serve economically disadvantaged youth in urban areas, which have a disproportionate share of these youth and a disproportionate shortage of training and employment opportunities.

One of the most positive aspects of the bill is, in my view, its incorporation into the existing CETA legislation. It seems logical and practical to utilize that system and the expertise of its local administrators. An additional or overlapping delivery system would only create another government agency with its particular procedures, forms and administration. And the establishment of a new system would require

valuable time, time which could be devoted to gearing up and implementing programs instead of agencies. The incorporation of the legislation within CETA will help assure that the flexibility needed to serve local situations is provided through an existing system. Prime Sponsors, local planning councils and state manpower services councils have developed an inventory of experience and expertise, and they have the proximity necessary to understand local needs and then respond to those needs with available resources.

Consistent with this, the role of the state employment service agencies as the primary public agency for placing employable individuals including youth, should be clearly and explicitly stated in the legislation.

Although I am in basic agreement with the legislation as it now stands, there are several aspects which I feel can be strengthened.

First, the Comprehensive Employment and Training Act recognizes the need for a special coordination role for Governors, and the same need for close working relationships between state and local governments certainly exists in any youth initiative. Most observers agree that the employment and training system is too fragmented. The unnecessary amount of overlap and duplication highlights the compelling need for coordination in the planning and delivery of services. This is especially true in dealing with the vast array of employability development programs and resources which have been established to serve youth, including local school systems, state employment service agencies, vocational and trade schools, community colleges, CETA, state youth service agencies, Title XX programs, and apprenticeship programs. While we feel that it is appropriate for a youth-oriented employment and training program to be administered through the CETA system, there is

nonetheless the risk that the resources of the program could end up creating one more vast array of services which will further duplicate those already available, thus increasing the fragmentation of the system.

Governors are in the unique position of being able to foster, facilitate and effect such comprehensive and coordinated planning and delivery of services. Thus, an effective way to ensure that programs financed under this legislation are coordinated at the federal, state and local levels with other established programs for educating, training, counselling and employing youth, is to spell out in the legislation a specific role for Governors which would give them full authority and responsibility to effect maximum coordination.

Therefore, twenty percent of all Part C funds should be allocated directly to the Governors for the purpose of providing a streamlined and integrated delivery system. This will facilitate better service to clients who otherwise fall between the cracks of government programs.

This set-aside should be used for joint projects which will coordinate the efforts of the state education system, welfare system, employment service, CETA, rehabilitation and correction services, youth services, apprenticeship programs, federal and state forest and park projects, and the myriad of other employment and training activities within each state. Such joint projects would still be administered through the Prime Sponsors, but would be organized and facilitated by the Governors. The set-aside could be utilized, for example, to establish programs for youth in state foster care programs or to create programs conducted by several state agencies which would be geared to youth with special needs.

I believe that an active role for the Governor is consistent with,

and highly supportive of, a de-centralized system. In fact, I feel that such a role can only fortify the current CETA system. The policies and activities of state agencies significantly affect the delivery of employment and training services at the Prime Sponsor level. Governors can ensure that these state agencies facilitate and support the effective planning and implementation of Prime Sponsor programs.

A second modification which needs to be incorporated into the legislation is a clarification of the allocation formulas. The current funding mechanism does not ensure that monies will be distributed where the need is greatest. If this program is to serve those youth who are most disadvantaged, then a larger proportion of funds will have to flow to the urban areas. We cannot allow a repeat of the inequities which occur under the CETA Title III Summer Program for Economically Disadvantaged Youth (SPEDY). Although Massachusetts this summer is receiving 26 percent more SPEDY funds than last year, the vagaries of the allocation formula have caused the City of Boston to receive virtually the same level of funds as last year.

To ensure that there is an equitable distribution of Part A funds, Section 802 of the legislation should explicitly stipulate that projects may be carried out on state, as well as federal, public lands or waters. This will protect those states which do not have many national parks and forests from being overlooked as possible job sites. Moreover, as in the case of the Part B Youth Community Conservation and Improvement Projects, a minimum proportion of Part A funds should be guaranteed to each state.

CETA is based upon the sound premise that decisions regarding the specific types of employment and training programs to be funded should be made at the state and local levels where those making these resource allocation decisions are most knowledgeable about the particular needs of an area's unemployed and its employers. I am therefore concerned that the utilization of half of the funds appropriated for Part C would be determined by the national office of the Department of Labor. The most effective approach, I feel, is to maximize the amount of funds allocated by formula, with decisions made at the state and local levels. There is apparently the risk, however, that a formula cannot be developed which will ensure that the funds go to those youth most in need, and that the Secretary should therefore have the discretion to target these funds. If, in fact, a formula cannot be devised which will ensure that these funds go to the most disadvantaged youth, the Secretary should be granted the discretion to allocate the funds with the stipulation that they be allocated to areas, particularly older urban areas, where the most disadvantaged youth live.

My third proposed modification lies in the legislation's emphasis on out-of-school youth. If this program is to have a truly long-range perspective, then we must begin to build better bridges between the classroom and the workplace. It is crucial to begin to prepare youth for the job marketplace while they are still in school - through vocational education projects, cooperation with school systems and the private sector, job sampling and part-time work. We must be careful not to "defacto" exclude youth who are currently in school. The legislation should therefore contain provisions to strengthen the linkages between the

classroom and the workplace and to improve the transition from school to work by encouraging employability development programs for in-school youth.

A serious and somewhat surprising omission in S.1242 is a substantial role for private employers in providing employment and training opportunities for youth. It is fair to say that there is a need for greater involvement by the private sector in the design and implementation of all employment and training programs. The great portion of the unsubsidized jobs (which are the ultimate goal of CETA clients) are provided by these employers. Moreover, private employers possess a wealth of experience and knowledge - largely untapped by the public sector - in training individuals for particular occupations and developing skills generally.

New employment and training initiatives proposed by the Administration - particularly the Skill Training Improvement Program (STIP), HIRE (a program for veterans), and Vocational Exploration in the Private Sector (VEPS) programs - recognize this necessary role for the private sector. A comprehensive youth employment and training program should also. Private sector participation in the design and implementation of employment and training programs at the state and local level should be strongly encouraged, if not mandated. Such efforts as apprenticeships, on-the-job training, and vocational exploration can be key ingredients in programming designed to offer broader, quality work exposure to youth; and to assist youth make the transition to meaningful, satisfying, and productive work situations.

Mr. Chairman, I appreciate this opportunity and I again congratulate Congress and the Administration for its commitment to ameliorating the serious unemployment problems facing our nation's youth. I share this concern and want to help develop a meaningful and worthwhile program. Thank you.

Senator NELSON. The next witness is Donald Haight, from the American Personnel and Guidance Association.

Please identify yourself and your associate, so that the reporter will have an accurate record.

STATEMENT OF DONALD A. HAIGHT, APPEARING ON BEHALF OF THE AMERICAN PERSONNEL AND GUIDANCE ASSOCIATION; ACCOMPANIED BY PATRICK J. McDONOUGH, ASSOCIATE EXECUTIVE VICE PRESIDENT AND DIRECTOR OF PROFESSIONAL AND GOVERNMENTAL AFFAIRS, AMERICAN PERSONNEL AND GUIDANCE ASSOCIATION

Dr. HAIGHT. First, I would like to introduce my associate, Dr. Patrick J. McDonough who is associate executive vice president and director of professional and governmental affairs of the American Personnel and Guidance Association.

Mr. Chairman, I do appreciate the opportunity to represent my testimony today on the youth employment legislation, particularly those parts of the legislation related to counseling which should be included in your deliberations on this important issue.

My name is Donald A. Haight. I am assistant professor of education, State University of New York, Plattsburgh, N.Y.

I am also the chairperson of the comprehensive employment and training task force of the American Personnel and Guidance Association which is a national association representing 40,000 counselors in various settings and in all States and most local communities.

I am also chairperson of the American School Counselor Association Government Relations Committee. It is on behalf of both of those organizations that I am offering this testimony today.

In the interest of time, I ask that my written testimony be included in the record and that I will highlight important points from that.

Senator NELSON. Your written testimony will be printed in full in the record at the conclusion of your testimony.

Dr. HAIGHT. Thank you.

My association believes that there is a critical need to provide help for unemployed youth today. Specifically, I wish to discuss the guidance and counseling components which we believe are a crucial component of any approach to youth employment and underemphasized in Senate bill 1242 and amendments.

I would also like to refer you, Mr. Chairman, to the CETA task force report of our association of which I have a copy here which was sent to you on April 12, and I request that this report also be printed in the hearing record along with my testimony.

Senator NELSON. We will look at that for length and so forth. Do you have more than one copy?

Dr. McDONOUGH. We sent it to you and all members of the subcommittee, but here is an additional copy for the record.

Senator NELSON. Thank you.

Dr. HAIGHT. First of all, I would like to indicate that the guidance and counseling components of youth employment programs can make a significant contribution to youth. They can contribute to im-

provement, in the long run, of employability. They can contribute to improvement in career planning, career readiness, and the manner in which career decisions are made.

In addition, they can make a contribution toward enhancing attitudes toward work and work habits.

These services and benefits we believe should be clearly identified in the youth employment legislation.

Age 16 to 22 is a critical and impressionable age. Decisions are made at that time which can have a major impact in a youth's development toward adulthood and maturity. It is also an age where decisions affect their contribution to society as productive adults. Therefore, we must think of the remaining 30 to 40 years of productivity remaining in their lives, as well as the current situation.

Guidance and counseling is one service which can help to maximize the skills learned in employment programs today and the transfer of those skills to employment following involvement in youth employment programs.

For these reasons we believe it is crucial that guidance and counseling be provided to all youth; those in presecondary, secondary, and postsecondary educational institutions, unemployed, and out-of-school youth and that transition and followup counseling be provided after placement.

With regard to the delivery of counseling services specifically in CETA, we know that there are unqualified counselors serving in current CETA programs. This definition of unqualified counselors is related to State definitions and Federal definitions of counseling as well as to our own professional association definition of counseling.

We believe that professionally acceptable levels of standards in performance have not been established in CETA programs and we urge that they be established.

We also know that there is misuse of testing and assessment instruments. They are used in invalid situations and are used inappropriately at times.

We believe that it is absolutely essential that the Congress in its wisdom see that the qualifications of counselors are specified in the legislation and that these qualifications should be indicated clearly as qualified professional counselors.

Specifically, I refer you to General Administration Letter No. 1447 of the Department of Labor which is included in our task force report here which carefully spells out standards for counselors in all Department of Labor programs. This should be specified in youth employment legislation and the Department of Labor should clearly endorse those standards.

I would also like to emphasize the importance of requiring the collaboration of various agencies which provide counseling.

On the Federal level, we request that your subcommittee identify the Office of Guidance and Counseling in the Office of Education as designated in title III, part D, of Public Law 94-482, the education amendments of 1976 to handle those functions.

With respect to specific legislation, specifically S. 170, the Comprehensive Youth Employment Act of 1977, my association urges the inclusion of a system of occupational information and career counseling

such as in S. 170, title I, part D. The inclusions in this legislation are vital. They include a source of help for all youth, both while searching for employment and also while making career plans. This is worthy of your support and we strongly urge your support in this area.

We also recommend the adoption of counseling and placement personnel training grants and demonstration and evaluation programs. We feel this is most significant.

In addition, we request in this legislation that it be clearly stipulated that counseling is to be provided by qualified professional counselors.

With regard to Conservation Corps legislation, specifically S. 170, title II and S. 1242, section 2, part A, National Young Adult Conservation Corps, we strongly recommend that strong guidance and counseling components be built into this legislation.

These components should stress career development, career decisions, career readiness and employability skills, and improve career planning skills. This will maximize the benefit from youth employment in this program and extend the benefits beyond just the time of their employment in the program itself.

We also recommend the importance of and the inclusion in the legislation of counseling for the transition from the Conservation Corps to other employment.

We believe this will maximize, once again, that program.

We support work experience for in-school youth as provided, for example, in S. 170, part C and in S. 1242, amendment 184, section 836.

However, we believe that the guidance and counseling components should be strongly stipulated and, in addition, that the counseling that is provided be provided by additional school-based and certified counselors and this should be clearly stipulated in the legislation.

In other programs on youth employment such as youth community and private enterprise programs, et cetera, which the Congress believes are appropriate and important, we suggest strong components of counseling and guidance for career counseling, career planning, career decisionmaking, assessment, career readiness and employability, and that the delivery of those services shall be by qualified professional counselors.

My association strongly recommends amending CETA this year so as to incorporate a new title VIII, "Youth Employment and Training," with major modifications as I have indicated here for counseling, guidance, and placement inclusions.

We believe that our youth now need this help and that they cannot wait any longer.

Mr. Chairman, that concludes my testimony and I am ready to answer any questions which you have. I thank you for the opportunity to testify.

Senator NELSON. Thank you, Dr. Haight. If we have some questions, we will submit them in writing. We have to complete this hearing by 12:30 today.

[The prepared statements of Dr. Haight and Mr. McDonough and material referred to follow:]



AMERICAN PERSONNEL AND GUIDANCE ASSOCIATION

Statement on Behalf of the
American Personnel and Guidance Association

by

Donald A. Haight
Assistant Professor of Education
State University of New York
Plattsburgh, New York

on

Comprehensive Youth Employment

before the

United States Senate
Subcommittee on Employment, Poverty, and
Migratory Labor
Gaylord Nelson,
Chairman

4232 Dirksen Senate Office Building
Friday, April 22, 1977

1987 NEW HAMPSHIRE OVERSIGHT BOARD • WASHINGTON, D.C. 20003 • AC 200-453-4000 • Executive Vice President: CHARLES L. LEWIS

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to present my testimony on S.1242, Youth Employment and Training Act of 1977; the Javits and Humphrey Amendments to S.1242 and relevant sections of S.170 related to counseling which should be included in your deliberations on this important legislation.

My name is Donald A. Haight. I am an Assistant Professor of Education, teaching in the Counselor Education Program at the State University of New York, College of Arts and Science, Plattsburgh. In this position, I prepare individuals in counseling at the graduate level to become school counselors, college counselors, and counselors in public and private agencies, such as the United States Employment Service, rehabilitation agencies, and correctional facilities. As such, I have had contact with counselors in a variety of settings.

In addition, I am Chairperson of the American Personnel and Guidance Association's Task Force on the Comprehensive Employment and Training Act, and Chairperson of the Government Relations Committee, American School Counselor Association. It is on behalf of both of these organizations that I am offering this testimony today.

The American Personnel and Guidance Association is the professional association which represents over 40,000 counselors in such settings as schools, colleges, employment and rehabilitation agencies, as well as community agencies, and business and industry. The Association is comprised of 12 National Divisions, the American School Counselor Association being the largest division, and 52 State Branches (including European and District of Columbia Branches).

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Let me first commend the Subcommittee for researching the problem of youth employment in our country. This is a major problem which involves youth of all socioeconomic levels, races and sexes. My Association views your work with hope -- hope, and even more, a promise to provide this nation's youth with new job opportunities through new programs to give relief to the currently overtaxed methods of approaching this problem. In my testimony today I will refer particularly to the counseling and guidance components which I believe are a crucial part of any approach to youth employment. In S.1242, my Association sees a lack of emphasis on these vitally needed counseling and guidance components.

The American Personnel and Guidance Association has been concerned about the problems of unemployment and the counseling components of employment and training programs. In particular, the remarks made in the Report of the Comprehensive Employment and Training Act Task Force of the American Personnel and Guidance Association, March 1977, and transmitted to your Senate Subcommittee on Employment, Poverty and Migratory Labor, April 13, 1977, are directly relevant to this Committee's concern with youth unemployment, the delivery of programs to unemployed youth, and the counseling and guidance which should be a major component of these programs. I have here with me a copy of that report for the hearing record which I hope you will include with this testimony.

Research documented in the APGA Comprehensive Employment and Training Act Task Force Report definitively identifies the highly positive contribution of guidance and counseling, when delivered by competent, qualified, professional counselors, to the employment of those seeking gainful work, and to the

efficiency of those programs as delivered through the United States Employment Service.

The guidance and counseling components of youth employment programs can make a major contribution to the youth served by assisting these youth in the identification of employment which will be most personally rewarding for them. As important, however, are the contributions guidance and counseling can make to the improvement of the long run employability of each youth, and the improvement of career assessment of career decisions, career readiness, the manner in which career decisions are made, and the availability of occupational (job) information. In addition, guidance and counseling can make a significant contribution toward enhancing attitudes toward work and work habits. These services and benefits should be clearly identified in the youth employment legislation.

There is another dimension, however, to the concept of youth unemployment. Youth between the ages of 16 and 22 are at a critical point in their development toward adulthood and maturity. They are at a stage where decisions have a long lasting effect and impact on their contribution to society as productive adults. Guidance and counseling is one service which can go a long way toward maximizing the skills learned in employment programs and the transfer of these skills to employment following involvement in youth employment programs. For these reasons, it is crucial that guidance and counseling be provided to all youth; those in pre-secondary, secondary, and post-secondary educational institutions, unemployed and out-of-school youth, and that transition and follow-up counseling be provided after youth have been placed in jobs. As is sometimes the case, for example,

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problems in employability often do not occur until after one is employed. Thus, follow-up counseling can enhance the efficiency of employment programs for youth. Since often what is not specifically identified in the legislation can be overlooked, we request the Congress, in its judgment, clearly state these services.

The Delivery of Counseling Services

As noted in our Task Force Report of April 13, 1977, the American Personnel and Guidance Association, has several concerns about the counseling and guidance services delivered through the CETA "prime sponsor" system. We have found that there are numerous cases where the counseling provided is done so by unqualified counselors. Moreover, professionally acceptable levels of performance and selection for the practice of counseling have NOT been established. Also, there are no programs for systematically training or retraining these counselors. As well, inconsistent selection and work standards for CETA counselors have had the inevitable result of reducing the number of highly qualified applicants for these positions. In addition, we have found that testing and evaluation instruments and related procedures of selection, administration, and interpretation, in some cases, have been utilized by CETA designated counselors who have had neither the professional preparation nor experience necessary to use them properly. This has resulted in inappropriate and invalid use of such instruments and procedures.

It seems apparent to us that the Congress, in its wisdom, can now see to it that the counseling and guidance components of youth employment programs, which are specified in whatever legislation is passed, are provided

be qualified, professional counselors. These counselors should be either graduates of accredited programs of counselor education, certified, or meet the training and experience requirements as stipulated in the Department of Labor, General Administration Letter 1442. This should be clearly specified in the legislation. Moreover, the legislation should clearly specify that continual renewal experiences be provided for the education and upgrading of counselors. It should also be clearly stated that it is within the realm of the Department of Labor to enforce these legislative mandates.

From another perspective, one of the problems of the CETA delivery system, is the seeming lack of coordination among CETA Prime Sponsors, local educational agencies, and the United States Employment Service. This might be clearly avoided in youth employment programs if clear mandates for collaboration were incorporated in new legislation. Specifically, the coordinating unit for guidance and counseling in the U.S. Office of Education as designated under Title III D of P.L. 94-482, the Education Amendments of 1976, should be clearly identified as the coordinator for guidance and counseling components in youth employment legislation. This is highly critical since youth unemployment may involve local educational agencies, the Employment Service, business and industry, CETA Prime Sponsors, and other agencies. In addition, the collaboration of CETA programs with educational employment, and community agencies should be clearly required.

Specific Recommendations In Addition
to Those Named Above

1. We strongly urge the inclusion in youth employment legislation of a system of occupational information and career counseling, such as found in S.170, Title I, Part D--Occupational Information and Career Counseling

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Program. There are numerous components of this Part which are vitally important to the youth of our country. The provisions for programs of occupational information and career counseling are broad, so as to provide a source of help for all youth. This innovative concept, included here, would provide service to all youth, both while searching for employment and while making career plans. It is absolutely essential.

All of the provisions of S.170, Title I, Part D, are worthy of your support. The attention to special populations, such as rural and minority youth, are particularly commendable. In addition, the inclusions of "Counseling and Placement Personnel Training Grants" and "Demonstration and Evaluation Programs" are most significant aspects. These will assist in meeting some of the needs of counselor renewal experiences, for example, as identified above.

Once again, qualified, professional counselors should be clearly specified as the deliverers of services.

2. We urge the inclusion in Conservation Corps legislation, such as found in S.170, Title II - National Conservation Corps or S.1242, Sec. 2, Part A - National Young Adult Conservation Corps, of a strong guidance and counseling component. This should include guidance and counseling prior to, and during, the term of employment in the Conservation Corps. The program should stress career development, career decision making, career readiness and employability skills, as well as programs to improve the manner of planning careers. Our concern here is that these training programs cause youth to maximize the benefit from their employment.

In addition, counseling in the transition from the Conservation Corps to other gainful employment should be clearly required. Otherwise, there is the danger that youth may be in the same unemployed situation after the 12 month eligibility period is completed.

3. The American Personnel and Guidance Association supports the concept of a work experience program for in-school youth as provided in S.170, Part C and in S.1242, Amendment 184, Sec. 836. Guidance, counseling and placement activities, provided by additional school based certified counselors, should be clearly indicated in the legislation. Also, the coordination and collaboration of all agencies providing counseling should be clearly identified.
4. If, in the judgment of the Congress, such youth employment programs as S.1242, Sec. 2, Part B - Youth Community Conservation and Improvement Projects, S.1242, Sec. 2, Part C - Comprehensive Youth Employment and Training Programs, S.170, Title I, Part A - Youth Employment and Community Service Programs, and Part B - Youth Opportunities in Private Enterprise, should be enacted, this Association strongly requests that counseling, guidance, and placement services be clearly and unequivocally identified in the legislation. This identification should include, as noted above, career counseling, career decision making, employability and career readiness preparation, as well as transition and follow-up counseling. Moreover, in each of these Parts, as noted above, the use of fully qualified, professional counselors (such as identified in

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Department of Labor, General Administration Letter 1442) be clearly unequivocally required in the legislation. In addition, renewal experiences for these counselors should be provided.

In conclusion, the American Personnel and Guidance Association wishes to express its strong support for amending the Comprehensive Employment and Training Act this year so as to incorporate a new Title VIII, Youth Employment and Training, with major modifications, as indicated in this testimony, for guidance, counseling and placement inclusions. Our unemployed youth 16 - 21 and those younger preparing to seek employment and following in the footsteps of this group, cannot wait any longer.

Mr. Chairman, this concludes my testimony. I stand ready to answer any questions which you or the Subcommittee may wish to ask.



AMERICAN PERSONNEL AND GUIDANCE ASSOCIATION

April 12, 1977

To: CETA Task Force
Government Relations Committee
Communications Contacts
Division GLMs

From: P. J. McDonough *PJMc*
Subject: CETA Task Force Report

Attached is a copy of the recently completed CETA Task Force Report which has been submitted to Chairman Augustus F. Hawkins (D-CA) U.S. House of Representatives Subcommittee on Employment Opportunities and to Chairman Gaylord Nelson's (D-WI) U.S. Senate Subcommittee on Employment, Poverty and Migratory Labor.

Dr. Donald Haight, ASCA Legislative Chairperson and Chairperson of this committee and his committee members, Ms. Patricia Hooper, Dr. John Bailey, and Mrs. Nancy Pinson are to be commended for the quality of this report.

PJMc:ar
attachment: CETA Task Force Report

cc: Dr. Norman C. Gysbers
Dr. George M. Gazda
Mrs. Pat Duricka

REPORT OF

The Comprehensive Employment and Training Act

Task Force of the

American Personnel and Guidance Association

March 1977

Members of the Task Force:

Dr. Donald A. Haight, Chairperson
Dr. John A. Bailey, NECA
Mrs. Patricia Hooper, ASCA
Dr. Patrick J. McDonough, APGA, Ex Officio
Mrs. Nancy Pinson, NVGA

The American Personnel and Guidance Association, representing over 40,000 counselors in various settings, and in all states and most local communities, established a Task Force in the spring of 1976 to review the Comprehensive Employment and Training Act (P.L. 93-203) in order to make recommendations for appropriate action. The Task Force requested specific and interested national divisions of the Association to appoint a representative to the Task Force. The Task Force then was chaired by Dr. Donald A. Haight, Chairperson of the American School Counselor Association Government Relations Committee and Assistant Professor, State University of New York, Plattsburgh, New York. Members of the Task Force included: Dr. John A. Bailey, President-elect, National Employment Counselors Association and Professor, University of Nevada, Reno, Nevada, representing the National Employment Counselors Association; Mrs. Patricia Hooper, Member of the Government Relations Committee, American School Counselor Association, Coordinator--Guidance Services, Orange County Department of Education, Santa Ana, California, and Chairperson, Prime Sponsor's Advisory Council, Orange County, California, representing the American School Counselor Association; Mrs. Nancy Pinson, Chairperson, National Vocational Guidance Association Government Relations Committee and Consultant, Department of Vocational-Technical Education, Department of Education, Baltimore, Maryland, representing the National Vocational Guidance Association; and Dr. Patrick J. McDonough, Associate Executive Vice President for Professional and Governmental Affairs, American Personnel and Guidance Association, Washington, D.C., ex officio member of the Task Force.

The Task Force held two meetings. The first meeting was held in Lake Tahoe, Nevada, during November 1976. The second meeting was held in Washington, D.C., in March 1977. A preliminary paper (see Attachment A)

was prepared in Lake Tahoe and submitted on November 23, 1976, to the Honorable Baylord Nelson, Chairman, Subcommittee on Employment, Poverty and Migratory Labor, United States Senate, and the Honorable Dominick V. Daniels, Chairman, Subcommittee on Manpower, Compensation, and Health and Safety, United States House of Representatives.

From the date of the preliminary paper, the Comprehensive Employment and Training Act Task Force continued its efforts to seek information regarding the counseling components of that program. Requests for information were made to counselors throughout the country. This Task Force Report is the result of those efforts. The Congress, during this time, tackled the severe unemployment problem in our country, introducing at least seven bills concerning employment. However, while referencing the need and importance attached to counseling, embodied in the Wagner-Peyser Act of 1937, these bills fail to address the central concerns of the American Personnel and Guidance Association CETA Task Force Report of November 1976.

In the following paragraphs, these concerns are again addressed, with the addition of comments and recommendations:

1. Have the personnel standards mandated in Title II, Section 208(d) of the Comprehensive Employment and Training Act (CETA), P.L. 93-203, and required by the regulations prescribed by the Secretary of Labor, been developed and enforced for all counseling personnel employed under this act?

Comment: In general, CETA Prime Sponsors and subcontractors have NOT established professionally acceptable levels of performance and selection for the practice of counseling in their programs. There are unqualified counselors performing counseling functions under this Act. Moreover,

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there are no programs for systematically training or retraining these counselors. As well, inconsistent selection and work standards for CETA counselors have had the inevitable result of reducing the number of highly qualified applicants for these positions.

However, the Department of Labor has stipulated the requirements for counselors in all Department of Labor programs (General Administration Letter No. 1447 and 1521). It seems contradictory that on the one hand the Department of Labor endorses these requirements, yet on the other hand, it does not follow the same requirements.

Specifically, Federal Region V (Chicago) had 101 CETA counselors, who met the Department of Labor standards for counselors and 565 persons hired as counselors in CETA who did NOT meet those standards.

We recommend that:

- A. Professionally trained counselors be specifically identified, earmarked in CETA budgeting processes, and employed as counselors in all appropriate CETA programs.
 - B. General Administrative Letters No. 1447 and 1521 be enforced.
 - C. On-line CETA counselors be provided continual renewal experiences.
 - D. Selection and work standards of CETA counselors be uniform within an acceptable level of professional training and experience.
2. Are testing and evaluation instruments and related procedures of selection, administration and interpretation utilized in CETA programs subject to rigorous review by qualified professional counselors?

Comment: In some cases, CETA's designated counselors have had neither the professional preparation nor experience necessary to assure that these instruments are valid, ethical and appropriate for the individual concerned.

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and used in a professionally justifiable manner. Yet, such inappropriate tests have been administered and used in selection and counseling. This can result in misinformation at best and possibly more destructive consequences.

We recommend that:

- A. The Department of Labor undertake to train CETA counselors in the appropriate use, selection and interpretation of testing and evaluation instruments.
- B. Or, that the Department of Labor monitor and prohibit the use and abuse of such inappropriate instruments.
3. Has the mandate in CETA for each state to include in its Comprehensive Manpower Plan participation and resource sharing between related federal, state and local agencies and institutions, been rigorously enforced by the Secretary?

Comment: Resource sharing among many federal, state and local agencies is still the exception, not the rule. This often results in duplication, less efficient service and lower quality service. For example, under P.L. 94-482, Vocational Education is required to consult at the state level with CETA administrators, but the converse is not true.

Also schools have received only 3 percent of the dollars available under CETA yet have over 30 percent of the public sector employment. Moreover, State and Regional Employment Services and Vocational Rehabilitation Agencies have a number of qualified counseling professionals who have not been called upon to assist CETA Prime Sponsors.

We recommend that:

Because State and Regional Counseling Specialists in the Employment and

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Training Administration of the Department of Labor agree that this coordination is essential, the following be undertaken:

- A. Unite the Department of Labor, Office of Education (HEW), Justice, Interior, Defense and Agriculture counseling provisions and resources to assure maximum effectiveness of services. Note that P.L. 94-482's provision for a coordinating unit for guidance and counseling at the federal level under Title III D designates this office to serve as resource to each of these jurisdictions.
- B. State Manpower Services Councils should more vigorously carry out their mandate to review State Manpower plans and could do so if they were able to more effectively utilize other agency/institution professionals representative of the collaboration implied at the federal level.
4. Has the National Commission for Manpower Policy fulfilled its assigned functions under Title I, Sections 503 and 504? Does the Commission in fact -- "Examine and evaluate -- the programs which are designed (or could be designed) to develop information and knowledge about Manpower problems through research and demonstration projects, or (examine and evaluate programs) to train personnel in fields such as occupational counseling, guidance and placement, which are vital to the success of Manpower programs."?

Comment:

The collection of valid, timely, and interpretable data related to the range of CETA operations has not received sufficient attention or dissemination. Specifically, there is inadequate data available regarding the quality of counseling provided in CETA. In addition, there is not sufficient data available to assess the type of counseling provided in CETA. In addition, there is not sufficient data

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available to assess the type of counseling undertaken, the qualifications of the counselors nor the numbers of counselors employed. This has been one of the most frustrating problems facing this Task Force.

We recommend that:

- A. The National Commission for Manpower Policy assume leadership in the training and renewal aspects for personnel working in occupational counseling, guidance and placement.
 - B. The National Commission's integrative and coordinative roles lend a focus to data acquisition and data sharing, stipulating this function be more thoroughly and carefully undertaken.
5. Why do the constituencies of the National Commission for Manpower Policy, the State Manpower Services Council and the local Prime Sponsor's Planning Councils NOT include professionally endorsed representation of the counselors who are charged with carrying out the intent of the law?

Comment: No pertinent social welfare legislation enacted since 1974 excludes a pro forma representation of those institutions, professions or individuals who are significantly involved in the implementation of the given law. Since counseling is an integral part of CETA, since coordination of services with other agencies includes counseling functions, and since a professional counselor is able to provide a unique perspective in policy decisions, failure to include the counseling profession at the policy making and advisory level of CETA is a legislative and regulatory oversight which must be corrected.

We recommend that:

- A. The National Commission for Manpower Policy, each of the separate State Manpower Services Councils, and each of the local Prime

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Sponsor's Planning Councils including a practicing professional counselor as a member of the Council. In Title V, Section 502(a)(2), for example, one of the eleven members should be a counselor-member. Also in Title I, Section 104 and Section 105, a counselor-member should be stipulated.

- B. Our professional association, the American Personnel and Guidance Association, including its state branches and local chapters, requests and offers consultation in these appointments.
6. What programs of research and evaluation, provided for under Section 311 (a) of Title III, Part B, are presently being conducted to determine the relationship between the utilization of qualified counseling professionals and program effectiveness? What programs of training as provided in Title III, Part B, Section 315, have been conducted for CETA counselors? What evaluation has been undertaken regarding these programs of training?

Comment:

The counseling contribution to achieving the humane impact on the economic, social and personal needs of the governed, specifically a sense of satisfaction, self-worth, sense of achievement, ability to compete effectively, maintenance of jobs, and placement in jobs, has been definitively and substantially demonstrated by studies of the counseling component of various programs, e.g., the United States Employment Service numerous research studies are available which significantly demonstrate the effective contribution of counseling to the needs of applicants. In addition, programs of professional renewal are now mandated for counselors in employment settings and, in many states, for counselors in schools, colleges and other settings.

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It seems, therefore, sensible that such training and renewal ought to be mandated for CETA counselors. Unfortunately, Prime Sponsors seldom have a training officer employed, making it difficult to provide systematic on-the-job training.

Reported in the Department of Labor publication Manpower (February 1974), for example, are four statewide studies of counseling effectiveness in the Employment Service. The Employment Service was about 22 percent efficient without counselors and was about 40 percent efficient in relation to applicants obtaining employment with the assistance of counselors. And, counselors worked with applicants having more barriers to their employment potential.

We recommend that:

- A. Under Title III, Part B - Research, Training and Evaluation - increased coordination and cooperation in the use of, and creation of, resources must be sought. For example, Section 306 stipulates consultation with DHEW, but not with the Departments of Justice (parole and probation counselors), Interior (counselors of Indians), Agriculture (counselors of migrant workers), and Defense (counselors of servicemen, women and their dependents).
- B. The administrative unit for Guidance and Counseling in the Office of Education (Title III, Part D, Educational Amendments of 1976) be allowed to be the coordinating resource to every federal agency whose jurisdictions include Counseling, Guidance and Testing components. Resource sharing and more effective routes of professional communications should result.

C. The on-going research efforts in CETA continue, and even increase, to include studies of the effectiveness of counseling as provided by professional CETA counselors.

D. Research evaluates the need for professional renewal experiences and the most cost-effective means of providing these experiences. Specifically, a training officer should be provided who is capable of securing systematic on-the-job training for counselors with large Prime Sponsors and serving several smaller Prime Sponsors or Balance of State areas.

7. How is the function of equipping the applicant with skills of career decision-making, career readiness and employability being addressed in the CETA regulations and by the Prime Sponsors?

Comment: Nearly half of those served by CETA under Title I are 21 years old or younger. Career exploration and career readiness are most crucial to this searching age group. The passage of P.L. 94-482, the Education Amendments of 1976, introduced into law programs in career-education and career decision-making. The skills of career decision-making, career readiness and employability, including appropriately positive attitudinal postures, are basic and key to the concept of career development. It is NOT enough to simply match a person's abilities and interest with job requirements. Specific factors, e.g., knowledge of the way the local bus system operates, appropriate grooming, timeliness, interest in doing a good job, how to make decisions about jobs, family life considerations,

and how to ask appropriate questions are all important components of employment and career development. Services to provide clients with these skills must be important components of programs authorized under Titles I, II and III.

We recommend that:

A. The Congress amend Title I, Section 101(3), to read as follows: "(3) orientation, counseling, including teaching career decision-making, career readiness and employability, education, and institutional skill training to prepare the individual to enter the labor market or to qualify for more productive job opportunities."

B. The implementation of the concepts of career decision-making, career readiness and employability be reviewed by the National Commission for Manpower Policy, the State Manpower Services Councils and the Prime Sponsor's Planning Councils. These councils should emphasize the development of counseling services to provide these skills and attitudes as part of local CETA programs.

B. In Title III, Part B., Section 312(9), authorizing language specified that the Secretary shall provide "an expeditious means of matching the qualifications of unemployed, underemployed and economically disadvantaged persons with employer requirements..." How have employer's perceptions and contributions impacted on the design of training programs and on the employability of CETA trainees? Do Prime Sponsors solicit the employer community's definition of desirable and transferable worker traits as well as specific job skills?

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Comment: "Not getting along with fellow workers and supervisors" is a common cause of being unemployable or of being dismissed from work. Moreover, employer requirements frequently do not become clear until after employees are hired. Analogous to marriage-counseling, a prudent and productive allocation of counseling resources is made when counseling support is provided both before and after placement. Once a CETA client has obtained employment, it seems most sensible to assure that the client is able to keep his job.

We recommend that:

- A. A highly visible aspect of each comprehensive manpower plan be follow-up counseling and adjustment to work guidance support pursuant to Title I, Section 101(6), intentions.
- B. Employability development programs (interpersonal relations and communications skills) be a part of the pre-employment and post-employment offerings within approved comprehensive manpower plans.

Conclusion: It is the conclusion of this Task Force that the United States Congress and the President of the United States in their wisdom enacted the Comprehensive Employment and Training Act as an effective means toward combating the ravages of unemployment. Furthermore, the Task Force concludes that the recommendations made in the paragraphs above can and will make this program additionally more cost effective and enhance its benefits to the citizens.

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APPENDIXES

- A. Written testimony to Congress, November 1976.
- B. Survey of CETA counselors in the Chicago Region of the Department of Labor.
- C. Research reports of counseling in the United States Employment Service.
- D. General Administration Letter No. 1447.

Ohio Study of Referral and
Placement of Counseled Applicants
Selected information

- I. The purpose of the Ohio study was to examine the extent to which counseling contributes to people getting jobs.

II. Method

A sample was taken from the inactive file of the Columbus Job Service office. Only counselees whose last name began with A, B, or C were selected and whose last contact with a counselor was six months to 3 years ago.

Final sample size was 391.

The placement rate of counseled applicants in the sample was compared with the statewide average of noncounseled applicants. Several other calculations were made of placement and referral rates.

III. Results

1. The placement rate of counseled applicants was 20.5%; the statewide placement rate for not counseled applicants was 11.6%.

2. As the number of counseling interviews increase, the rate of placement goes up.

<u>Number of Counseling Interviews</u>	<u>Placement Rate</u>
1	16.4%
2	18.4%
3	24.6%
4	33.3%
5	42.1%
6 or more	41.7%

A point of diminishing returns appears to be reached at 6 or more interviews.

3. As the number of referrals go up, the rate of placement goes up.

<u>Number of Referrals</u>	<u>Placement Rate</u>
1	21.3%
2	36.7%
3	56.5%
4	60.0%
5	81.8%
6	73.7%

The point of diminishing returns for referrals appears to be 5.

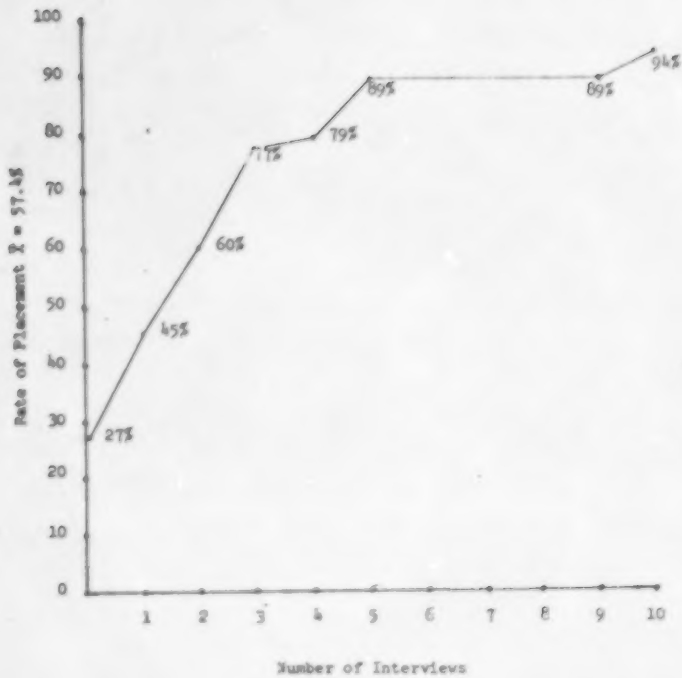
Fifty one percent of counseled applicants were not referred at all.
Of those that are referred 41.7% are placed.

Reference

Referral and placement of counseled applicants. Ohio (Approximately 1973).

Placement Rates

Utah - FY 74



(Source: Robert E. Philbrick, Department of Employment Security, Salt Lake City, Utah.)

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ABSTRACT

Several questions were investigated regarding the placement rates of counseled and uncounseled employment security applicants. A random sample of 221 inactive application cards was drawn from 12 employment security district offices. Comparisons were made between the counseled and uncounseled groups. It was found that counseled applicants typically had more employability barriers than did those who had not received counseling. Regardless of that fact, the placement rate of counseled applicants was almost twice that of the uncounseled. In general, as the number of counseling interviews increased there was a corresponding increase in the placement rate. This relationship was consistent with a variety of applicant groups.

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Counseling is a complex process, with many factors operating simultaneously within the counseling interview. The difficulties in measuring or quantifying this process are many; the data many times is difficult to gather and sometimes even more difficult to evaluate. Generally, there are two basic methods of evaluating counseling. One involves looking at the counseling interview, e.g., observation, tapes, and records, to determine counseling effectiveness. The other method focuses on the outcome of counseling after the service has been provided; i.e., what happened to the people who received counseling. Although the author recognizes the value of both approaches, the focus of this study was on counseling outcomes.

In an age of accountability many people have legitimately raised the question: Does counseling make a difference? The particular question asked within the employment service is: Does counseling contribute to the agency's primary goal of helping people find jobs? In light of this question it seems appropriate to focus on counseling outcomes rather than on the counseling process.

More specifically, four questions were asked related to counseling outcomes:

1. Does the placement rate of individuals who receive counseling differ from those who do not receive counseling?
2. Does the placement rate of selected groups who receive counseling differ from those who do not receive counseling?
3. Does the counseled population differ from the uncounseled in the number of employability barriers possessed?
4. What is the relationship between the number of employability barriers possessed by an applicant, the number of counseling interviews provided, and the placement rate?

Research completed in three states (U. S. Department of Labor 1973) sheds light on some of these questions, particularly question one. Table 1 summarizes selected data from these studies.

Missouri based its results on 545 closed counseling cases from "outstate offices" and 1,666 cases from metropolitan offices. Twenty-one counselors had two or more interviews with less than 50 percent of their cases; two interviews per client would seem to be the average. Missouri also reported that 20 percent of the counselees had job development efforts made for them. The self-placements for Missouri apparently were defined as counselees finding their own jobs, with the assistance of a counselor.

Iowa's figure of 2,645 cases represents terminated cases and not the total number of individuals counseled. The self-placed figure includes those who found their own job after counseling. Iowa reported that "51 percent of terminations resulted in job-ready applicants who, by a 60-day final follow-up, were found to be working...." A 2.4 figure represents the overall ratio of total counseling interviews to initial interviews. How many interviews the terminated cases averaged is not stated, but should approximate the 2.4 ratio.

Utah compared the placement rates of counseled and uncounseled applicants. "From the total group (94,740), 23,000 persons were placed on a job...simple calculation shows that 24.3 percent of the available applicants were placed..." The overall placement rate for counseled applicants was 41.2 percent. Utah also found that the placement rate of counseled applicants increased from 34.4 percent for one interview to 65.2 percent for five to nine interviews. The steepest increase occurring between these interviews (30.4 percent) and four interviews (37.8 percent). After 10 interviews or more, the placement rate declined. The breakdown average number of interviews was 2.47 for all counselees and 2.05 for all placed counselees.

TABLE 1
PLACEMENT RATES OF COUNSELED APPLICANTS

State	Time Period	Number of Individuals Counseled	Average Interviews Per Client	ES Placed	Self Placed	Total
Missouri	10-1-72 to 12-31-72	2,211	2.0	25%	15%	40%
Iowa	7-1-72 to 12-31-72	2,645	2.4	35%	10%	53%
Utah	7-1-72 to 1-30-73	5,081	2.4	41%	N/A	N/A

METHOD

The relationship between counseling and placement, as outlined in the four questions above, was investigated in Wisconsin by the following method:

Twelve district offices from which a sample was drawn were randomly chosen. A total of 300 inactive application cards were randomly selected -- 150 cards for counseled applicants and 150 for uncounseled applicants. Of the original 300, 221 applicants were finally analyzed. Seventy-nine individuals were excluded from the sample because (a) they were entered in the Employment Security Automated Reporting System (ESARS) prior to 1 July 1971 and that data was generally unavailable, (b) counseling occurred after placement, or (c) applicant data was reported incorrectly in ESARS. A computer printout was obtained for each selected card which was basically a record of applicant characteristics and transactions as reported through ESARS. Each printout was examined to determine:

1. Whether the individual was counseled, and if so, how many counseling interviews were provided.
2. Whether the individual was placed or not placed in employment over three days.
3. The number of employability barriers possessed.

The following weights were assigned to applicant characteristics: poor, 1; under 22, 1; over 45, 1; minority, 1; high school dropout, 1; and, handicapped, 1. The possible range of barriers that could be possessed by an applicant was from 0 to 5.

Differences between groups were tested by means of the chi-square technique. Chi-square was not computed when expected frequencies were less than 2. Yates' correction was applied in all cases regardless of the number of expected frequencies. The placement rates of counseled and uncounseled applicants are presented in Table 2.

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The following subgroups within the total group of counseled and uncounseled applicants were also compared as to the number of barriers possessed. Results are listed in Table 4.

TABLE 2
PLACEMENT OF COUNSELED AND UNCOUNSELED APPLICANTS

Applicants	Counseled (n=90)	Uncounseled (n=131)
Placed	30%	16%
Not placed	70%	84%

NOTE: Difference is significant at the .05 level.

TABLE 3
PLACEMENT RATE OF COUNSELED AND UNCOUNSELED APPLICANTS BY SUBGROUP

Subgroup	Counseled	Uncounseled
Poor		
Placed (n=19)	37%	10%
Not placed (n=40)	63%	90%
Non-poor		
Placed (n=29)	22%	17%
Not placed (n=133)	78%	83%
Disadvantaged*		
Placed (n=17)	38%	0%
Not placed (n=36)	62%	100%
Dropout		
Placed (n=19)	28%	14%
Not placed (n=71)	72%	86%
Under 22		
Placed (n=23)	26%	26%
Not placed (n=66)	74%	74%
Handicapped**		
Placed (n=9)	69%	0%
Not placed (n=10)	31%	100%

* Difference significant at .05 level.

** Difference significant at .02 level.

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Table 5 presents the relationship among the number of barriers possessed by applicants, number of counseling interviews received, and corresponding placement rate. For example, 42 individuals had 1 to 2 barriers and received 1 to 2 counseling interviews; 12 individuals were placed for a placement rate of 29 percent. The overall average of interviews received per counselee was 1.92. The average for unplaced counsees was 1.65 and the average for placed counsees was 2.57.

DISCUSSION

Does the placement rate of individuals who receive counseling differ from those who do not receive counseling? Yes. In two states (Utah and Wisconsin) the placement rate for counseled applicants was found to be almost twice that of uncounseled applicants. Although the placement rate for uncounseled applicants in Missouri and Iowa was not included in the data, it is probably safe to assume that it was not as high as the 25 percent and 35 percent rates quoted for counseled applicants. Further, the average number of counseling interviews was greater for placed counsees than for unplaced counsees; both the Utah study and Table 5 indicate that as the number of counseling interviews increases there is a corresponding increase in the placement rate. However, the Utah study also suggests that a point of diminishing returns may be reached with a high number of interviews.

TABLE 4
BARRIERS OF COUNSELED AND UNCOUNSELED

Applicants	Number of Barriers			
	0	1	2	3-5
Counseled (n=90)	12%	24%	32%	32%
Not counseled (n=131)	29%	43%	22%	6%

NOTE: Difference is significant at .001 level.

TABLE 5
RELATIONSHIP BETWEEN COUNSELING INTERVIEWS,
BARRIERS, AND PLACEMENT RATE

Number of Counseling Interviews	0	1-2	3-5
0	5%	22%	0%
1-2	22%	29%	20%
3 or more	100%	30%	50%

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Does the placement rate of selected groups who receive counseling differ from those who do not receive counseling? The Wisconsin data presents a consistent pattern of higher placement for counseled individuals than for uncounseled persons for all groups studied with the exception of the under 22 subgroup. Statistically significant differences were found for the total counseled-not counseled group, the disadvantaged subgroup, and the handicapped subgroup.

Does the counseled population differ from the uncounseled in the number of employability barriers possessed? As expected, the counseled group appears to be more difficult to place as measured by the number of barriers to employment possessed. Statistically significant differences were found in the number of barriers possessed by counseled and uncounseled applicants. For example, 64 percent of the counseled applicants had two or more barriers while 28 percent of the uncounseled applicants had no barriers compared to 29 percent for the uncounseled.

What is the relationship between the number of employability barriers possessed by an applicant, the number of counseling interviews provided, and the placement rate? Table 5 suggests that as the number of counseling interviews increases there is a corresponding increase in the placement rate; this appears to be true regardless of the number of barriers possessed. Those applicants with 1 to 2 barriers seem to have the highest placement rate, except when three or more interviews have been provided when those with 1 to 2 barriers have the lowest placement rate. The reason for this is not known. One would expect that as the number of barriers goes up the placement rate would go down.

CONCLUSIONS

Applicants referred for counseling typically have more employment barriers than applicants not referred. Regardless of this fact, the placement rate of counseled applicants is almost twice that of the uncounseled. In general, as the number of counseling interviews increases there is a corresponding increase in the placement rate. This relationship appears to hold regardless of the nature of the applicant population.

The focus of this article was on the placement outcomes of counseled and uncounseled applicants. The author does not wish to imply in any way that there are no equally desirable nonplacement outcomes of counseling such as self-placement, referrals to training, return to school, etc. The intent was to demonstrate that the counselor contributes significantly to the employment service agency's goal of helping people get jobs.

REFERENCE: U. S. Department of Labor, Manpower Administration. Action to improve counselor competence in facilitating positive outcomes and the extent of participation of counseling staff in placing counseled applicants. Letter 5-MGE-A (ES 4-2). Chicago, IL: Author, 8 May 1973.

TEXAS COUNSELING RESEARCH PROJECT
Selected Information

I. The purpose of the study was two-fold:

1. To determine if counseling improved placement and other services over non-counseled applicants.
2. To identify areas of weakness for correction and emphasize areas of strength.

II. Method

A random sample of counseled applicants was drawn from:

1. Type III and IV offices; WIN and CEP not included
2. Those identified as needing employability development
3. Those who had at least two (2) counseling interviews
4. The inactive file
5. The major ethnic groups equally
 - (a) White
 - (b) Other than White
 - (c) Spanish surname
6. Male and female equally, from each ethnic group
7. Under 26 and 26 and over equally, for each sex
8. Each age group by educational level 0-9, and 10 and over

A control group was selected on the same basis as listed above except item 3, counseling.

Each applicant in the control sample was matched with one (1) applicant in the counseling group according to the following:

1. Local Office
2. First two digits of DOT Code
3. Urban or rural
4. Handicapped or non-handicapped
5. Veteran or non-veteran

Basically, the procedure followed was to compare the rates of referral to jobs, counseled vrs. control; and, rates of placement for the two (2) groups. The two (2) were also compared on a number of other services.

III. Results

1. Counseled applicants are referred to jobs at a higher rate than those not counseled, (difference significant at .05 or higher) for all of the following groups:

- (a) Total
- (b) Male
- (c) Female
- (d) 25 or under
- (e) 26 or over
- (f) 0 - 9 years education
- (g) 10 or more years education
- (h) White
- (i) Other than White
- (j) Veteran
- (k) Handicapped

Spanish surname applicants counseled^{*} were not referred at a significantly higher rate than those not counseled.

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2. Counseled applicants were placed in jobs at a higher rate than those not counseled (difference significant at .05 or higher) for all of the following groups:

- (a) Total
- (b) Male
- (c) Female
- (d) 25 or under
- (e) 26 or over
- (f) 0 - 9 years education
- (g) 10 or more years education
- (h) White
- (i) Other than White
- (j) Handicapped

Spanish surname and veteran applicants counseled were not placed at a significantly higher rate than those not counseled.

- 3. A greater percentage counseled applicants were placed in a position of 150 days or more than were non-counseled applicants.
- 4. A smaller percentage of counseled applicants were active for more than 150 days than non-counseled applicants.

Reference

U.S. Department of Labor, Manpower Administration. Texas counseling research project. Letter to Associate Manpower Administration for Field Direction and Management. Dallas, Texas: 23 August 1974.

Table 1
PLACEMENT RATES

Category	Counseled	Control
Total (N=668)	30% *	16%
Sex		
Male (N=320)	34% *	21%
Female (N=348)	27% *	11%
Age		
25 or under (N=326)	31% *	17%
26 or over (N=342)	32% *	16%
Education		
0 - 9 years (N=316)	30% *	16%
10 or more (N=352)	30% *	16%
Race		
White (N=200)	30% *	11%
Other than White (N=234)	33% *	19%
Spanish Surname (N=234)	27%	17%
Veteran (N=106)	40%	24%
Handicapped (N=182)	31% *	14%

Table 2
REFERRAL RATES

Category	Counseled	Control
Total (N=668)	53% *	37%
Sex		
Male (N=320)	52% *	43%
Female (N=348)	53% *	31%
Age		
25 or under (N=326)	52% *	32%
26 or over (N=342)	54% *	37%
Education		
0 - 9 years (N=316)	48% *	30%
10 or more (N=352)	57% *	43%
Race		
White (N=200)	57% *	34%
Other than White (N=234)	55% *	37%
Spanish Surname (N=234)	48%	39%
Veteran (N=106)	74% *	48%
Handicapped (N=182)	47% *	29%

* Significant at .05 or higher

**COUNSELOR PERFORMANCE AND ACCOUNTABILITY:
A LOCAL OFFICE PLAN
July 17 and 18, 1973**

The purpose of my visit was to develop measures of counseling performance with the counselor and manager. The counselor and I spent several hours discussing what would be appropriate measures of counseling outcomes. We finally agreed to the following measures which also generally met with the approval of the office management. The focus of these measures is on counseling outcomes, not counseling process. Generally, counseling process should continue to be reviewed by tapes, records, observation and other traditional techniques.

CASELOAD SIZE

The office Plan of Service, Exhibit B, specifies that .5 of a man year will be devoted to 512 time by one counselor. 312 individuals to be counseled during the fiscal year should be an appropriate caseload. That figure was determined in the following manner:

- A. .5 man year = 1040 hours of 512 time.
- B. The average transaction is estimated to be approximately 80 minutes or 1.33 hours. This includes face-to-face counseling, test interpretation, referral, all activities included in 512 time.
- C. 1040 hours ÷ 1.33 = 781 transactions per year.
- D. Average number of interviews per applicant should approximate 2.5.
- E. 781 transactions ÷ 2.5 = 312 individuals to be counseled.

CASELOAD COMPOSITION

Generally, the Veteran, Minority, and Poor should receive a priority of employability development activities, including counseling.

These special groups should be well represented in any counselors caseload. The proportion of these groups on a caseload should be equal to and generally greater than the proportion of intake these groups constitute. The 312 individuals to be counseled should be distributed approximately in the following proportion relative to intake.

100 Veterans = 32% of Caseload	vrs.	Veterans = 24% of intake
22 Minority = 07% of Caseload	vrs.	Minority = 05% of intake
172 Poor = 55% of Caseload	vrs.	Poor = 30% of intake
140 Nonpoor = 45% of Caseload	vrs.	Nonpoor = 70% of intake

The above figures reflect a priority of service to Veteran, Minority and Poor. The Veterans to be counseled (100) is specified in the Plan of Service. The greatest variance is in the Poor and Nonpoor categories. The 55% and 45% figures are based on the average of a state-wide sample of counseling caseloads.

The caseload will also be generally more difficult to place as measured by the number of employability barriers typical of an average counselee. The caseload should be made up mainly of those who have two or more barriers, 60%; and, not more than 15% who have no barriers. A barrier is defined as being Poor (1), Drop Out (1), Minority (1), Under 22 (1), Over 45 (1), or Handicapped (1). These proportions are also based on state averages.

COUNSELING OUTCOMES

Generally, outcomes of counseling could fall in three general areas; placement, other, and follow-up.

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Placement outcomes should be equal to or greater than the office average of 22%. The rationale for that figure lies in the fact that most applicants referred to counseling have more barriers to employment than mainstream applicants. It is safe to assume that without counseling or other employability development assistance the placement rate for these applicants is significantly lower than mainstream applicants. The effect of counseling with these groups should be to raise the placement rate so it is equal to or greater than the office average for all applicants.

An important distinction should be made. It is important that the counselor be responsible for insuring that adequate placement efforts are made for each counselee. Although the counselor can and should do job development and placement in many cases his main responsibility is to ensure that an adequate proportion of counsees successfully find employment. This means that he should work with and through other office staff to place his counsees. The counselor should be given responsibility for ensuring that his counsees find employment but not be given a specific placement quota that he is personally expected to accomplish.

Placement outcomes of the four major groups then should be equal to or greater than the office rate for each group. Approximately as follows:

100 Veterans	x office rate (18%)	= 18
22 Minority	x office rate (28%)	= 6
172 Poor	x office rate (24%)	= 41
140 Nonpoor	x office rate (21%)	= 29
		70

Out of a caseload of 312 individuals to be counseled in the next fiscal year, 22% (or 70) individuals should be placed by the office staff with the counselor assuming overall responsibility of placement of his counsees.

Other outcomes should approximate 63%. These outcomes would include:

1. Self placement
2. Training
Employment Service
Other
3. Job referrals
4. Agency referrals
5. All others

No follow-up would be the last counseling outcome. This figure should not exceed 15%. This includes all counsees where the outcomes were not determined due to inability or failure to follow-up. The smaller this percentage is the better.

The counselor and I also discussed the following points:

- A. The vast majority of counsees, if not all, should be referrals, from other staff to the counselor rather than "taken off the line."
- B. The performance standard outlined above should be effective from July 1, 1973.
- C. Records will have to be kept accurately to monitor the above items, including the social security number of each counselee.

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- A. .5 man year = 1040 hours of 512 time
- B. The average transaction is estimated to be approximately 80 minutes or 1.33 hours. This includes face-to-face counseling, test interpretation, referral, all activities included in 512 time.
- C. $1040 \text{ hours} \div 1.33 = 781 \text{ transactions per year}$
- D. Average number of interviews per applicant should approximate 2.5.
- E. $781 \text{ transactions} \div 2.5 = 312 \text{ individuals to be counseled}$

100 Veterans = 32% of Caseload vrs. Veterans = 24% of intake
 22 Minority = 07% of Caseload vrs. Minority = 05% of intake
 172 Poor = 55% of Caseload vrs. Poor = 30% of intake
 140 Nonpoor = 45% of Caseload vrs. Nonpoor = 70% of intake

100 Veterans x office rate (18%) = 18
 22 Minority x office rate (28%) = 6
 172 Poor x office rate (24%) = 41
 140 Nonpoor x office rate (21%) = 29
 70

COUNSELOR PERFORMANCE AND ACCOUNTABILITY
FOLLOW-UP
WISCONSIN EMPLOYMENT SECURITY DIVISION
ANDREW A. HELWIG

In July of 1973, a system of counselor accountability was implemented at a Wisconsin Employment Security Office. This office has one employment counselor, five job interviewers and additional staff, separate WIN and CEP programs operate within the city.

This accountability system took into consideration the characteristics of local office applicants, barriers to employability, services performed by the counselor, and counseling outcomes. A review of the performance of this system during Fiscal Year 1974 (July 1973 - June 1974) has just been completed. The results are encouraging.

CASELOAD SIZE

The office Plan of Service for FY74 indicated that the counselor would spend .5 of a man year (1/2 of his time) in counseling activities. It was planned that he should counsel 312 individuals during the year. This caseload size was determined as follows:

- A. .5 man year = 1040 hours.
- B. The average counseling transaction is estimated to be approximately 80 minutes or 1.33 hours. This includes face-to-face counseling, test interpretation, record-keeping and other activities.
- C. $1040 \text{ hours} \div 1.33 = 781$ counseling transactions per year.
- D. Average number of interviews per applicant should approximate 2.5.
- E. $781 \text{ counseling transactions} \div 2.5 = 312$ individuals to be counseled.

The review of the counselor's performance indicated that this goal of 312 individuals counseled was not met. A total of 185 individuals were identified as receiving counseling services. Perhaps an additional twenty-five were counseled but the records were at two small satellite offices or could not be located at the main office.

Seven hundred eighty-one counseling transactions were planned and 571 or 73% were achieved. The counselor averaged 3.08 counseling sessions per individual versus an expected 2.5 sessions.

The reasons for not meeting the caseload size goal of 312 may be numerous. The counselor averaged 3.08 counseling sessions per individual rather than 2.5. The estimate of 312 may have been too high. Perhaps not enough applicants were referred to the counselor. Or, perhaps the counselor did not work hard enough or his record-keeping was faulty.

CASELOAD COMPOSITION

Of the 185 individuals counseled, 77 were females and 108 were males. The average age for the total sample was 24.5 years and ranged from 17 to 58 years. Thirty individuals or 16% of the sample were food stamp recipients.

Agency guidelines indicate that Veterans, Minority and Poor applicants should be given priority in employability services including counseling. The office Plan of Service estimated that 100 Veterans would be counseled. Thus Veterans would comprise 32% of the caseload ($100 \text{ of } 312 = 32\%$). Minorities comprise five percent of total office intake so it was estimated that a slightly higher percentage should receive counseling. It was decided that seven percent of the counselor's caseload should be Minority. Dave Brenna's Study in 1973 found that the Poor and Nonpoor applicants comprised 55% and 45% respectively of a state-wide sample of counseling caseloads. These became the planned figures for the office.

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The planned and actual percentages of the caseload for the Fiscal Year are as follows:

	<u>Planned</u>	<u>Actual</u>
Veterans	32%	18%
Minority	7%	3%
Poor	55%	84%
Nonpoor	45%	16%

The number of Veterans and Minorities counseled was less than planned. Perhaps the lack of referrals of these applicants to the counselor accounts for this discrepancy. The percentages of Poor and Nonpoor counseled was not in accord with planned figures. The vast majority of the counselees were Poor. This probably reflects the character of the walk-in applicants of the office and the fact that Poor applicants may have more identifiable counseling problems.

To assure that those most in need of counseling services were receiving them, a statement of barriers to employability was included in the accountability system. The barriers to employability are Poor, Drop Out, Minority, Under-22, Over 45, and Handicapped. It was estimated, based on state averages, that 60% of the counselor's caseload should have two or more barriers and not more than 15% should have no barriers. The review indicates that 67% of the caseload have two or more barriers and only six percent have no barriers.

COUNSELING OUTCOMES

Outcomes of counseling can fall into three general areas; placement, other, and no follow-up. When examining a specific caseload at a given point in time, another category exists and is called active.

It was determined that the percentage of job placements of the counselor's caseload should be 22% which is the percentage of the office intake which is placed. Because counseled applicants possess more barriers to employability than noncounseled applicants, it would be expected that placement would be more difficult for those counseled. However, because of the counseling effort, the placement rate should approximate the office placement rate.

The office placement rates of Veterans, Minority, Poor and Nonpoor were calculated. These became the expected rates of placement of each of these special groups in the counselor's caseload. These percentages and the actual percentages achieved by the counselor are as follows:

	<u>Planned</u>	<u>Actual</u>
Veterans	18%	15%
Minority	28%	20%
Poor	24%	14%
Nonpoor	21%	29%
Total Caseload	22%	16%

The number placed on jobs was 16% versus a plan of 22%. However, a total of 23% of the caseload are still in training or actively seeking employment so the 16% figure is not the final one.

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Other outcomes were estimated to comprise 63% of the caseload. These actual outcomes included:

1. Self Placement	31%
2. Training	13%
3. Referral to Supportive Agency	3%
4. All Others	<u>3%</u>
	50%

It was expected that the No Follow-up category would include 15% or less of the cases. The actual No Follow-up percentage was 24%. This included individuals who refuse counseling, fail to respond to call in, or with whom the counselor is unable to or fails to follow-up. Ten percent of the caseload was still Active; i.e., seeking training or employment.

In general, the outcome results deviate from the planned outcomes. The placement rate should be higher, the No Follow-up category should be smaller and the Other Outcomes should increase. Two major reasons exist for the status of these results. The first is that 23% of the cases are still active or in training. Final resolution has not occurred. The second reason is that the counselor, because of time pressures, has not adequately followed-up with the caseload so some individual outcomes are undermined.

Additional intermediate "outcomes" or services have occurred. For example, current outcomes show 13% of the caseload in training, but during the Fiscal Year 49% of the caseload was enrolled in training, primarily MDTA. Some from this group did not complete training. The counselor also made 1,118 follow-up contacts, primarily with those enrolled in training.

The counselor was given responsibility for the placement of his caseload. However, this does not mean that he had to do the job development, referral, and placement work himself. He made use of all other office staff in the placement of his counselees but retained responsibility for the caseload.

RECOMMENDATIONS

This was the first year of operation of this performance and accountability system. Recommendations are as follows:

1. Adjust the goals in light of last Fiscal Year performance. E.g., the caseload size was reduced to 250 individuals.
2. Reduce or eliminate some other program responsibilities to free the counselor for more work with his caseload.
3. Encourage the counselor to use the performance standards more directly as a guide in encouraging referral of applicants to him and determining which counseling outcomes to strive for.

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	<u>PLANNED</u>	<u>ACTUAL</u>
Veterans	32%	18%
Minority	7%	3%
Poor	55%	84%
Nonpoor	45%	16%

	<u>PLANNED</u>	<u>ACTUAL</u>
Veterans	18%	15%
Minority	28%	20%
Poor	24%	14%
Nonpoor	21%	29%
Total Caseload	22%	16%

1. Self Placement	31%
2. Training	13%
3. Referral to Supportive Agency	3%
4. All Others	3%



UNIVERSITY OF NEVADA

RENO 89507

COLLEGE OF EDUCATION
DEPARTMENT OF COUNSELING
AND GUIDANCE PERSONNEL SERVICES
(702) 784-6638

April 6, 1977

Dr. Patrick J. McDonough
APGA Headquarters
1607 New Hampshire Avenue, NW
Washington, D.C. 20009

Dear Dr. McDonough:

Enclosed are the two documents that you asked for to back up the CETA testimony.

To understand the Chicago Regional Office document, one has to go to the first page of the questionnaire (3 sheets from the end) to Item 14 in that questionnaire. Then one would go to 5 sheets from the back which is marked with my writing to indicate that 161 of the 726 counselors in the Chicago region meet the full intent of counseling as stipulated in General Administration Letter #1447. Page 7 in GAL 1447 shows Counselor II as the beginning of the journeyman level.

It is possible to claim that the additional 110 people under Column G could be considered to be legitimately hired "counselors," but those in Columns A-F certainly do not meet the intent of GAL 1447.

If possible, I would like to have the March 8, 1976 document from the Chicago Regional Office returned after you have used the information from it.

Sincerely yours,

John A. Bailey, Ed.D.
Chairman and Professor

s.j

Enclosures (2)

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U.S. DEPARTMENT OF LABOR

MANPOWER ADMINISTRATION
230 SOUTH DEARBORN STREET

CHICAGO, ILLINOIS 60604

DATE: March 8, 1976

REPLY TO
ATTN: GPO: 5 MGE-ASUBJECT: Counselor Training Needs Statement for Counseling and
Assessment Staff Funded Under CETA.TO: William Palm, Chief
Technical Services/OPTS

The purpose of the subject Statement was to survey the training needs of counseling and assessment staff funded under CETA. As a result of this survey, we plan to develop a training curriculum based on those needs.

A trial run using the attached revised Counselor Training Needs Statement was conducted in Cincinnati, Ohio in November 1975.

Federal Representatives were asked to have each CETA project manager have their counseling and assessment staff complete the attached Statement when they were visiting CETA projects during a eight week period. Some Federal Representatives conducted this survey by mail.

We also asked for comments from each CETA project manager on what he/she perceived the training needs to be for their counseling and assessment staff. Attached is a copy of the January 5, 1976 letter sent to AOO's.

The AOO's were provided with a total of 1400 Counselor Training Needs Statements on January 5, 1976 and the Statements were returned to OETS, February 25, 1976.

727 questionnaires were returned from prime sponsors. Since most counseling or assessment staff indicated their most needed training in rank order from one to five, our tabulations are based on the first five choices of training needs.

The following eight (8) Tables are by State, Region and Administrative comments.

Each Table indicates the areas of training; the items are numbered as they appeared in the questionnaire. Educational Attainments are compared to Areas of Training based on the first five choices of the individual completing the questionnaire.



The Total Number of Questionnaires, and the break out of Educational Attainment is indicated for each Table. The Total Choices for each Area of Training is indicated and Ranked.

Please refer to item 14 on the attached questionnaire for an explanation of Educational Attainment.

The following from Table Number 7 indicates the choices of Areas of Training in rank order for Region V:

1. Labor Market Information
2. Exchange of New Ideas, New Techniques
3. Occupational Information
4. Kinds of Tests and Their Uses
5. Employability Development plans
6. Community Resources
7. Attitudes and Personality Factors
8. Group Techniques
9. Job Seeking Factors
10. Interviewing Skills
11. Counseling Standards
12. Job Holding Factors
13. Developing Intergroup Relationships
14. Counseling Practice Sessions
15. Communication Skills
16. Recognizing the Need for Counseling
17. Principles of Helping
18. Responding to Feelings
19. Items of Appraisal
20. Content of Orientation Sessions
21. Record Keeping
22. Caseload Assignment

The following from Table Number 8 indicates the choices of Areas of Training in rank order from twelve administrators:

1. Occupational Information
2. Employability Development Plans
3. Labor Market Information
3. Job Seeking Factors
3. Job Holding Factors
4. Interviewing Skills
4. Community Resources
5. Group Techniques
5. Recognizing the Need for Counseling
5. Kinds of Tests and their Uses
5. Attitudes and Personality Factors
5. Principles of Helping
6. Items of Appraisal
6. Content of Orientation Sessions
6. Communication Skills
6. Counseling Standards

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6. Responding to Feelings
6. Exchange of New Ideas, New Techniques
6. Chemical Addiction
6. Minority Relations - American Indian
6. Crisis Intervention
6. Understanding the Ex-convict
6. D O T Training

Other comments from Administrative staff including the following:

1. Any Counselor working with C.E.T.A. participants should possess a bachelor degree with a major in psychology, sociology, or related field. Supplemental counselor-related courses such as community resources, occupational information, testing, counseling theory should be required as a condition of employment.
2. Inservice training such as counselor workshops geared to counseling in the manpower program setting should occur on a regular basis.
3. Counseling standards should be maintained through periodic case reviews by a qualified counselor technician with subsequent reports to project managers.
4. To assist in evaluation, counseling records should be standardized throughout the program.
5. It would be beneficial if counselors could receive professional counseling including a psychological evaluation and personality inventory as part of their training.
6. A counselor career ladder should be established that would recognize experience and academic achievement.

William Kinner
J. WILLIAM KINNER
Regional Assessment Specialist

TABLE NUMBER 1

Illinois
STATE

AREAS OF TRAINING	COUNSELING TRAINING NEEDS											Total No. of Responses	Per Cent
	A	B	C	D	E	F	G	H	I	J	K		
(19) Group Techniques			2	6	2	3	5		4			22	
(20) Recognizing the Need for Counseling				2	5				1			8	12
(21) Kinds of Tests and Their Uses			4	7	7	9	8		6			41	2
(22) Items of Appraisal		1	1	1	3	2	1		2			11	12
(23) Content of Orientation Sessions		1	1	3	1	2	1		2			11	12
(24) Employability Development Plans		1	2	5	2	6	3		10			29	5
(25) Counseling Practice Sessions		2	3	4	5	2	3	1	2			22	8
(26) Communication Skills			2	3	2	4	2		2			15	10
(27) Counseling Standards		1	3	2	4				1			14	11
(28) Responding to Feelings			1	4	1	1	1		1			9	13
(29) Community Resources		1	2	8	6	6	7	1	3			34	4
(30) Interviewing Skills		1	3	4	4	3	3	2	2			22	8
(31) Occupational Information		1	4	6	4	7	8	3	7			40	3
(32) Labor Market Information		1	6	10	3	9	9	2	10			50	1
(33) Developing Intergroup Relationships			2	8	4	4	8		2			28	6
(34) Attitudes and Personality Factors		1	3	7	1	2	3	1	2			20	9
(35) Principles of Helping			2	2			1	1	1			7	15
(36) Exchange of New Ideas, New Techniques		2	3	8	6	5	10	1	6			41	2
(37) Job Seeking Factors			3	5	2	3	3	2	6			24	7
(38) Job Holding Factors			1	3	1	2	2	1	8			18	9
(39) Record Keeping			1	4	3	1	1		1			11	12
(40) Caseload Assignment				3	1	2	2					8	14
Total No. of Questionnaires - 113	4	11	22	14	18	19	3	21					

1 - Not Identified

TABLE NUMBER 2

Indiana

STATE

AREAS OF TRAINING	COUNSELING TRAINING NEEDS										Total Scores	Rank
	A	B	C	D	E	F	G	H	I	J		
(19) Group Techniques	3		2	1	3	3	2	2			12	17
(20) Recognizing the Need for Counseling		1	1	5	3	4	4				18	11
(21) Kinds of Tests and Their Uses		6	2	8	4	7	3	2	3	1	26	1
(22) Items of Appraisal		1	1	2			2	1		1	8	15
(23) Content of Orientation Sessions		2	1	2		4	1	1	1		12	14
(24) Employability Development Plans		4	3	8	2	2	6	2	3		30	4
(25) Counseling Practice Sessions		1	2	4		1	3	1	1		13	13
(26) Communication Skills				3	1	4					8	15
(27) Counseling Standards		2	1	7	1	5	3		1	1	20	9
(28) Responding to Feelings				1	2		2	1			6	16
(29) Community Resources		1	2	5		1	3	2		3	12	7
(30) Interviewing Skills		1	1	6		1	4	4	2		19	10
(31) Occupational Information		2	1	9		2	5	2	2	5	28	5
(32) Labor Market Information		5	3	11		2	5	2	2	3	33	2
(33) Developing Intergroup Relationships		1	1	2		3	2	1	2		12	14
(34) Attitudes and Personality Factors		4	2	7	1	6	4	2			26	6
(35) Principles of Helping		1	1	2	1	3	3	1			12	14
(36) Exchange of New Ideas, New Techniques		5	3	9	2	4	2	1			31	3
(37) Job Seeking Factors		1		4		2	2	3	1		13	13
(38) Job Holding Factors		1	1	7		4	4	1	3		21	8
(39) Record Keeping		1		3		1	1				6	16
(40) Caseload Assignment												
Total No. of Questionnaires - 85	10		23	6	15	11	6	7	1		3	12

TABLE NUMBER 3

Michigan

STATE

AREAS OF TRAINING	COUNSELING TRAINING NEEDS											Total Choices	Rank
	Educ. Attainment----												
(19) Group Techniques	A	B	C	D	E	F	G	H	I	J			
(20) Recognizing the Need for Counseling			3	6	1	2	5	1				13 7	
(21) Kinds of Tests and Their Uses			2	1	2	2	2	1	1			11 12	
(22) Items of Appraisal			1	8	12	4	5	8	1	2		41 2	
(23) Content of Orientation Sessions			2	2	1	2	1	1	3			12 11	
(24) Employability Development Plans			1	1	2	1	1		2			8 15	
(25) Counseling Practice Sessions			2	3	3	3	4					15 9	
(26) Communication Skills			3	5		1	2	1				12 11	
(27) Counseling Standards			3	7	1	1	2	1				15 9	
(28) Responding to Feelings				4	1	1	1		1			8 15	
(29) Community Resources	1			4	1	1	1	1	1			10 13	
(30) Interviewing Skills		1	2	7	5	1	3	1	1			21 5	
(31) Occupational Information		2	4	5	3	4	3	1	2			24 4	
(32) Labor Market Information		1	8	9	6	6	6	1	2			39 3	
(33) Developing Intergroup Relationships		1	9	9	6	7	7		2			41 2	
(34) Attitudes and Personality Factors	1		2	4	1	1	3	1				13 10	
(35) Principles of Helping			5	6	5	3	2	2	1			24 4	
(36) Exchange of New Ideas, New Techniques	1	1		5	3	3	2		1			16 8	
(37) Job Seeking Factors		1	11	9	5	5	7	3	3			44 1	
(38) Job Holding Factors		2	4	2	3	4	3		1			19 6	
(39) Record Keeping			2		2	2	2	1				9 14	
(40) Case-load Assignment	1		1	2		2						6 16	
Total No. of Questionnaires - 101	1	3	17	26	14	14	16	3	7			6 16	

TABLE NUMBER 4

Minnesota
STATE

AREAS OF TRAINING	Counseling Training Needs											Total Scores	Rank
	A	B	C	D	E	F	G	H	I	J	K		
(19) Group Techniques					2	2	8	5	9			26	6
(20) Recognizing the Need for Counseling					4	3	5	1	2			15	12
(21) Kinds of Tests and Their Uses			1	2	3	1	7	2	7			23	8
(22) Items of Appraisal							6		4			10	17
(23) Content of Orientation Sessions			1		1	3	2	2	4			13	16
(24) Employability Development Plans			1	1	2	4	6	3	7			26	7
(25) Counseling Practice Sessions					4	4	3	1	2			14	13
(26) Communication Skills					4	2	2		1			9	18
(27) Counseling Standards			2		3	3	2	2	2			14	13
(28) Responding to Feelings		1			3	4	5	2	3			18	9
(29) Community Resources		1			7	6	4	2	9			29	5
(30) Interviewing Skills		1			2	3	2	1	3			12	15
(31) Occupational Information				1	4	5	11	3	14			38	3
(32) Labor Market Information			2	2	4	4	9	2	18			41	1
(33) Developing Intergroup Relationships		1				1	2	3	8			15	12
(34) Attitudes and Personality Factors			3		4	4	9	3	7			30	4
(35) Principles of Helping			3		1	1	2		4			11	16
(36) Exchange of New Ideas, New Techniques			1		4	5	9	7	13			39	2
(37) Job Seeking Factors					2	3	3	3	6			17	10
(38) Job Holding Factors				1	1	2	2	3	7			16	11
(39) Record Keeping			1			3	2	1	3			10	17
(40) Caseload Assignment						2	1	2	3			8	19
Total No. of Questionnaires - 99			5	2	13	14	23	11	31				

ABLE NUMBER 5

Ohio

STATE

ITEMS OF TRAINING	COUNSELING TRAINING NEEDS											Total Choices	Rank
	A	B	C	D	E	F	G	H	I	J			
19) Group Techniques		7	4	6	11	8	9	4	11			60	10
20) Recognizing the Need for Counseling	2	5	7	8	6	1	3	3	3			38	17
21) Kinds of Tests and Their Uses			6	9	18	13	9	10	1	9		75	6
22) Items of Appraisal			2	1	8	5	3	4		4		27	19
23) Content of Orientation Sessions			8	1	3	1	3	3		2		21	21
24) Employability Development Plans	1	10	9	19	11	11	14	3	15			93	4
25) Counseling Practice Sessions	1	7	5	5	11	6	7	1	4			47	14
26) Communication Skills	2	7	6	10	12	7	4	2	7			57	11
27) Counseling Standards	2	8	14	3	10	4	4	4	2			61	9
28) Responding to Feelings	2	2	8	6	9	1	6	1	4			39	16
29) Community Resources	1	8	4	15	10	9	12	3	16			78	5
30) Interviewing Skills	1	7	7	15	8	7	4	1	5			55	12
31) Occupational Information	1	8	15	21	16	12	14	7	15			109	3
32) Labor Market Information	2	10	15	24	15	9	22	5	20			122	1
33) Developing Intergroup Relationships		2	9	6	6	6	8	1	6			44	15
34) Attitudes and Personality Factors			9	8	8	10	7	9	3	11		65	8
35) Principles of Helping	1	4	6	4	7	6	3	1	4			36	18
36) Exchange of New Ideas, New Techniques	2	9	16	15	21	12	15	6	19	1		116	2
37) Job Seeking Factors	1	8	6	14	10	11	6	3	9			68	7
38) Job Holding Factors	1	5	3	12	7	8	4	1	9			50	13
39) Record Keeping	1	1	5	2	3	2	2		6			22	20
40) Caseload Assignment		2		2	3							7	22
Total No. of Questionnaires - 316	5	31	39	54	48	33	40	11	54	1			

TABLE NUMBER 6

Wisconsin
STATE

BASIS OF TRAINING	COUNSELING TRAINING NEEDS											Total Points	Rank
	A	B	C	D	E	F	G	H	I	J			
19) Group Techniques									2		2	4	
20) Recognizing the Need for Counseling		1									1	5	
21) Kinds of Tests and Their Uses			1	1	1		1	1			5	2	
22) Items of Appraisal					1						1	5	
23) Content of Orientation Sessions			1	1							2	4	
24) Employability Development Plans		1	1						1		3	3	
25) Counseling Practice Sessions							1				1	5	
26) Communication Skills		1									1	5	
27) Counseling Standards		2							1		2	4	
28) Responding to Feelings									2		2	4	
29) Community Resources				1			1				2	4	
30) Interviewing Skills		2							1		3	3	
31) Occupational Information		1	1		1		1	1			5	2	
32) Labor Market Information			2		2		1	1	1		7	1	
33) Developing Intergroup Relationships												5	
34) Attitudes and Personality Factors		1							2		3	3	
35) Principles of Helping		1							2		3	3	
36) Exchange of New Ideas, New Techniques				1				1	1		3	3	
37) Job Seeking Factors			1		1						2	4	
38) Job Holding Factors			1		1						2	4	
39) Record Keeping				1	1						2	4	
40) Caseload Assignment				1			1				2	4	
Total No. of Questionnaires - 13	2	2	3	2	2		1	1	4				

FILE NUMBER: A

Administration (Directors, Managers, Supervisors)

BAS OF TRAINING	Educ. Attainment---	COUNSELING TRAINING NEEDS											Total Score	Rank
		A	B	C	D	E	F	G	H	I	J			
1) Group Techniques		2											5	
2) Recognizing the Need for Counseling		2											5	
3) Kinds of Tests and Their Uses		2											5	
4) Items of Appraisal		1											6	
5) Content of Orientation Sessions		1											6	
6) Employability Development Plans		5											2	
7) Counseling Practice Sessions														
8) Communication Skills		1											6	
9) Counseling Standards		1											6	
10) Responding to Feelings		1											6	
11) Community Resources		3											4	
12) Interviewing Skills		3											4	
13) Occupational Information		6											1	
14) Labor Market Information		4											3	
15) Developing Intergroup Relationships														
16) Attitudes and Personality Factors		2											5	
17) Principles of Helping		2											5	
18) Exchange of New Ideas, New Techniques		1											6	
19) Job Seeking Factors													3	
20) Job Holding Factors		6											1	
21) Record Keeping														
22) Counselor Assignment														
Chemical Addiction		1											6	
Minority Relations -Am. Indian		1											6	
Crisis Intervention		1											6	
Understanding the Ex-convict		1											6	
DOT Training		1											6	

Data Received From 12 Administrators

COUNSELOR TRAINING NEEDS STATEMENT

1. STATE 2. NAME OF PROJECT 3. ADDRESS AND STREET 4. CITY AND STATE
5. ZIP CODE 6. NAME (Last, First and Middle)
7. COTA - Title I ☐ Title II ☐ Title III ☐ Other: (specify) _____
CHECK PROGRAM OR SPECIFY PROGRAM IN WHICH YOU ARE NOW WORKING
8. ☐ A. FULL-TIME COUNSELOR ☐ B. PART-TIME COUNSELOR
(Check Appropriate Box.) 9. Indicate No. Hours Spent Counseling Per Week
10. Indicate Number of Years You Have Been A Counselor In This Project. 11. Indicate Number of Years You Have Been A Counselor 12. From What Source Were You Recruited To Become A Counselor For This Project?
13. Indicate Work History You Have Had That Especially Contributed To Your Background As A Counselor

Title of Position	Description of Work	From	To
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(Indicate In Years)
14. Highest Level Of Education Attained (Indicate Only One Letter)

A. Less Than High School Graduate	B. High School Graduate	C. Less Than 2 Yrs. College	D. 2-4 Yrs. Of College No Degree
E. Bachelor's Degree	F. Bachelor's Degree, Including Or Supplemented By Less Than 15 Hours Of Counselor-Related Courses (Undergraduate or Graduate)		
G. Bachelor's Degree, Including Or Supplemented By 15-29 Hours Of Counselor-Related Courses (Undergraduate or Graduate)	H. 30 or More Graduate Hours Counselor-Related Courses Without Master's Degree		
I. Master's Degree	J. Doctor's Degree		

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5. If you checked item 14, 14F, 14G, 14H, 14I, or 14J Above, Indicate Your Major Field For Your Highest Degree. (Indicate One Letter Only.)
- A. Education Voc. Guidance B. Education Other C. Personnel Adm.
D. Sociology or Social Work E. Psychology F. Counseling Psych.
G. Rehabilitation Counseling H. Other (Specify) _____

6. Indicate Your Plans For Additional Training In Counseling. (Indicate One Letter Only.)
- B., C., D., E., F., G., H., I. and J. (As indicated Under Item 14.) Or K. Other : (Specify) _____

7. Indicate In-Service Training In Counseling Received During The Past 12 Months.

8. Indicate Out-Service Training In Counseling Received During The Past 12 Months.

COUNSELING TRAINING NEEDS

(Check Only Items In Which You Feel You Most Need Training Placing In Rank Order The Kind Of Training You Need Most 1 To Least ____.)

- | | |
|--|---|
| 9. ___ Group Techniques. | 30. ___ Interviewing Skills. |
| 10. ___ Recognizing The Need For Counseling. | 31. ___ Occupational Information. |
| 11. ___ Kinds Of Tests And Their Uses. | 32. ___ Labor Market Information. |
| 12. ___ Items Of Appraisal. | 33. ___ Developing Intergroup Relationships. |
| 13. ___ Content Of Orientation Sessions | 34. ___ Attitudes And Personality Factors. |
| 14. ___ Employability Development Plans. | 35. ___ Principles Of Helping. |
| 15. ___ Counseling Practice Sessions. | 36. ___ Exchange Of New Ideas, New Techniques |
| 16. ___ Communication Skills. | 37. ___ Job Seeking Factors. |
| 17. ___ Counseling Standards. | 38. ___ Job Holding Factors. |
| 18. ___ Responding To Feelings. | 39. ___ Record Keeping. |
| 19. ___ Community Resources. | 40. ___ Caseload Assignment. |

INDICATE AREAS OF OTHER TRAINING YOU FEEL ARE NEEDED

ADDITIONAL COMMENTS

41. _____

42. _____

43. _____

44. _____

45. _____

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U.S. DEPARTMENT OF LABOR

MANPOWER ADMINISTRATION
220 SOUTH DEARBORN STREET

CHICAGO, ILLINOIS 60604

DATE: January 5, 1975

REPLY TO
ATTN OF: 5 MGE-ASUBJECT: Counselor Training Needs Statement for Counseling
and Assessment Staff Funded Under CETATO: John A. Clair, AOO #1
Marion C. Smith, AOO #2
John J. Nunnery, AOO #3
Richard E. Palmore, AOO #4
Howard D. Roberts, AOO #5

The purpose of this memorandum is to survey the training needs of counseling and assessment staff funded under CETA. As a result of this survey, we plan to develop a training curriculum based on these needs.

The need for the above training has been brought to our attention by the AOOs, CETA project managers and CETA counselors while visiting their organizations.

A trial run using the attached revised Counselor Training Needs Statement was conducted in Cincinnati, Ohio, in November 1975. It was found that counselors take from five to ten minutes to complete the Statement.

Please have the Federal Representative ask each CETA project manager to have their counseling and assessment staff complete the attached Statement when they are visiting CETA projects during the next eight weeks.

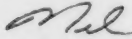
We would also like comments from each CETA project manager on what he/she perceives the training needs to be for counseling and assessment staff.

Each AOO will receive a copy of the Counselor Training Needs Statement.



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All Statements should be returned to each Area Office of Operations (AOO) by C.O.B. February 25, 1976. Each AOO should return the Statement to OPTS (William Kemmerer) by February 27, 1976.



MELVIN J. HOWARD, Deputy
Regional Administrator
Employment and Training Administration

In reply refer
to MEMO

U.S. DEPARTMENT OF LABOR
Manpower Administration
Washington, D.C. 20210

October 14, 1971

GENERAL ADMINISTRATION LETTER NO. 1447

TO: ALL STATE EMPLOYMENT SECURITY AGENCIES

SUBJECT: Revised Staffing Guidelines for Selection and Development
of Employment Counselors
Personnel Series No. 78

REFERENCES: GAO's 1012, 1135 and Change 1, 1335, 1367

PURPOSE: To transmit guidelines for selection, training, and classification of employment counselors in State employment security agencies.

Since the last issuance of counselor standards by GAO 911, dated September 13, 1959, the mission and functions of State employment security agencies have been broadened substantially. In the past the counselor's primary responsibility was to assist employable individuals to make a suitable vocational choice or change. Today the employment counselor is called on to work largely with individuals who are handicapped by a wide variety of disadvantages in obtaining employment. The counselor must develop, through training and experience, an understanding of the applicant's life style and assist him to overcome as many barriers as possible to his employability. These barriers may include physical, personal, and social handicaps; lack of skill training and inadequate basic education; and poor attitudes toward himself, others, and the world of work.

State agency administrators, counseling supervisors, and consultants have pointed out that various modifications in existing counselor staffing procedures (selection, training, and classification) could contribute significantly to the counselor's ability to help applicants facing such barriers. In response to this need, the attached "Revised Staffing Guidelines for Selection and Development of Employment Counselors in State Employment Security Agencies" has been developed in consultation with State agency and regional office staffs. This new model is designed to: (1) strengthen the criteria for selecting counselors in order to improve the ability of counseling staff to relate to all types of employment service applicants, (2) make counselor training more directly relevant to employment service needs, and (3) increase the sensitivity of counselors to applicant needs.

Some major features of the revised model are:

1. Provision for entrance of counselors at advanced levels of the career ladder as well as for upgrading nonprofessional (paraprofessional) employees to the professional counselor class.

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2. Broadening of the kinds of employment and educational experiences considered qualifying for the counselor series.

3. Use of selection panels to assess candidates for entrance to and advancement up the counselor career ladder, in order to emphasize consideration of job performance capability and personal characteristics in addition to academic preparation.

4. Recommended curriculum for counselor training, integrating both in-service and out-service training facilities to assure relevance of curriculum to the mission of the employment service.

5. Provision for additional classes in the counselor series to recognize higher levels of skill acquired and to provide more opportunity for advancement of well-qualified counselors.

The recruitment and training of counselors, like the recruitment and training of any other employment service staff, offers an opportunity to practice affirmative action with respect to equal employment within the employment service itself.

The attachment contains model class specifications for the suggested classes of Employment Counselor I, II, III, and IV, and model job descriptions and training guidelines for coaches and interviewers identified as having potential for counseling. Appropriate pay levels for counselors are also discussed.

The training model described will require funding on an annual basis. The Manpower Administration will give priority consideration to continuing adequate funding for counselor training.

Many of the necessary revisions will require the assistance and cooperation of State personnel or merit system agencies. State employment security agencies are urged to discuss this new model with the appropriate personnel or merit system agency at the earliest possible date to make plans to adopt and incorporate the model into their own personnel system. Regional office staff will be available to provide assistance in this effort.

Paul J. Passer, Jr.
 PAUL J. PASSER, JR.
 Deputy Assistant Secretary
 for Manpower and
 Manpower Administrator

RECESSIONS: GAL 911

Attachment: Revised Staffing Guidelines for
 Selection and Development of Employment
 Counselors in State Employment Security
 Agencies

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REVISED STAFFING GUIDELINES
FOR SELECTION AND DEVELOPMENT OF EMPLOYMENT COUNSELORS
IN STATE EMPLOYMENT SECURITY AGENCIES

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U.S. DEPARTMENT OF LABOR
Manpower Administration
Washington, D.C.

REVISED STAFFING GUIDELINES FOR SELECTION AND DEVELOPMENT OF EMPLOYMENT COUNSELORS IN STATE EMPLOYMENT SECURITY AGENCIES

I. The Need for Change

A. Changing Nature of Counselor's Job

The redirection of the employment service from a job placement service to a human resources development agency has brought about a profound change in the job of the employment counselor. In the past the counselor's work was to assist new entrants into the labor market, or those needing a change of occupation, to make a suitable vocational choice or change or to solve relatively simple problems of job adjustment.

In contrast, the counselor of today is charged with the responsibility of helping those who are least employable, such as the educationally deficient, welfare recipients, prison releasees, urban ghetto dwellers, and others with multiple problems which constitute barriers to employment. The counselor must assist such an applicant to formulate a complete employability plan involving remedial education, orientation to work, skill training, supportive services, and leading finally to job placement.

In working with applicants of various ethnic backgrounds, the counselor must possess an understanding of the counsellee's environment, life style, motivation, and attitudes toward work in order to assist him in formulating an effective employability plan. The counselor has a major role in helping the counsellee to implement the employability plan; he must also follow up from time to time to determine the counsellee's progress.

B. Necessary Counselor Qualifications

To perform the job of employment counseling, the counselor must be able to integrate the counsellee's total needs with his employment needs as well as to help the counsellee gain insight and self-knowledge during the counseling interview. This demands highly developed interviewing skills, a thorough comprehension of the counseling role, and professional preparation on the part of the counselor. To provide adequate services, the counselor must also possess occupational, economic, and social information.

The adoption of the employability development model in many areas has brought together the functions of coaching, counseling, job development, and referral to jobs or training as integrated services to be performed by an employability development team, operating through individual interviews and case conferences and working on a controlled caseload basis. Along with these role changes, the variety of skills needed by employment counselors has increased.

C. Purpose of Guidelines

Recognizing that the traditional counselor staffing and training practices are no longer adequate for current needs, the new guidelines provide State agencies with a model on which to base revisions in personnel policies and practices and to formalize a new approach to counselor training through upgrading of present employees to the counselor level as well as recruiting fully qualified counselors from outside the agency. Incorporating the recommended model will, of course, require the approval and assistance of the State personnel or merit system agency. State employment security agencies are urged to meet with the appropriate personnel agency at the earliest possible date to make plans for incorporating these revisions.

II. The Model Classification System

A. Basis of Counselor Career Ladder

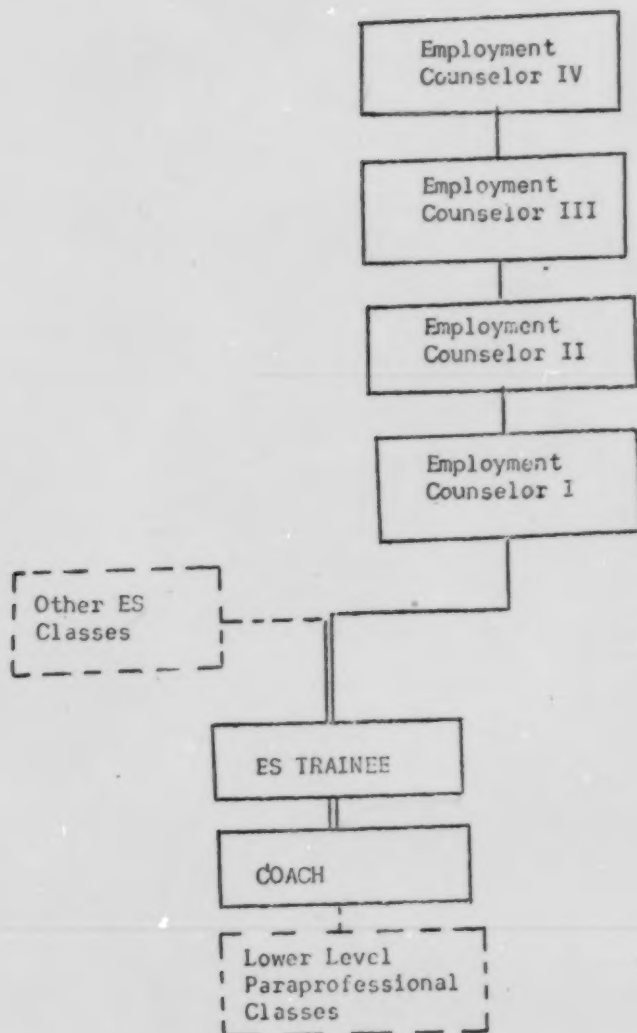
The recommended model counselor career ladder, including the para-professional classes of Coach and IS trainee, is discussed on the following page. Model class specifications for Employment Counselor I through IV and model job-training descriptions for employees in training for counseling appear in the appendixes.

A trainee or entry level person in any profession, while he is expected to possess some basic knowledge and skills, requires relatively close supervision and operates largely on the basis of specific instructions rather than his own independent judgment. At the upper end of the scale, the fully qualified professional has considerable autonomy (self-direction) and flexibility. He depends upon his accumulation of knowledge, skills, and abilities, systematically acquired over an extended training period, rather than on specific instructions. Consequently, he requires relatively little supervision.

Any intervention of a helping person, such as a counselor, into the lives of others carries with it the risk of harm to the person being helped, the counselee. The helping person should recognize his own limitations and not attempt to provide services for which he has not been adequately trained. He must avoid alienating the counselee, discouraging him, or stirring up conflicts, which may lead to an unwanted employability plan, failure to secure or hold a job, or failure or dismissal from training. The technical term for this cause and effect is "client vulnerability."

The client is less vulnerable to the trainee than to the fully qualified professional, since the former operates with little autonomy. As the counselor increases in knowledge and skills, he exercises more autonomy, and client vulnerability increases. Hence, the combination of these two variables provides a sound basis for differentiating various levels of counselor competence identified on the career ladder.

The Counselor Career Ladder



The appended model specifications also reflect the more difficult work which the counselor is called upon to perform under the employability development model and the increased variety of knowledge and skills required. The four levels of the series constitute one level more than most State agencies currently use. The increased complexity of the duties and responsibilities justifies this additional level, which is intended to provide more opportunity for advancement within the series and thus promote retention of more highly qualified counselors.

B. Development of Counselors Through Training

Internal development of counselors should begin with the selection of individuals with counselor potential from among employees in the Coach and ES Trainee classes. Since State agency classification titles vary widely, the terms Coach and ES Trainee are defined for purposes of these guidelines as follows:

Coach: The highest of the three preprofessional classes (see GAL 1135, change I) covers an employee who is primarily responsible for reaching out and maintaining contact with disadvantaged applicants after they have been placed on jobs and assisting in the resolution of any problems which arise.

ES Trainee: The entry level for those with a baccalaureate degree in one of the behavioral sciences, or the trainee class in the counseling series for those beginning in-service and out-service training in professional counseling services.

State agencies are encouraged to phase out existing Counselor Trainee classes and use other existing classes which correspond to the Coach and ES Trainee categories as the training ground for the Employment Counselor series. The use of such existing general duty classes is preferable to establishing special Counselor Trainee classes because:

1. Employees would be selected for counselor training only after having demonstrated counselor potential by performance on the job and by meeting minimum standards on other selection criteria.
2. Employees who do not progress satisfactorily in either the academic or OJT phases of their experience can be steered toward other ES work more suitable to their capabilities.

An employee who enters the employment service as a paraprofessional should normally begin on-the-job and out-service training in counseling at the Coach level and continue in the training curriculum after he is promoted to the ES Trainee level. (See GAL 1336 for guidelines for promotion of paraprofessionals to the entry professional level.) Es

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should spend 18 months or longer in training to become eligible for Employment Counselor I. Employees who enter the agency at the ES Trainee level (mostly college graduates) should spend 1 year or longer in training before becoming eligible for Counselor I. Employees in these categories should receive on-the-job training and perform counselor-support and counseling-related functions, while simultaneously receiving agency-sponsored out-service training as detailed in section IV of these guidelines.

C. Progress Within the Employment Counselor Series

Once in the Counselor series, the individual should progress as his ability warrants, contingent on completion of further out-service training and satisfactory performance on the job. Employment Counselor I is a junior professional level, in which the incumbent is limited in the types of cases he can handle. Employees in this class are normally expected to progress in performance to the full-functioning Employment Counselor II level after a reasonable time. Position controls should not be imposed at the Counselor II level (i.e., an employee should be promoted to this level whenever he is qualified without having to wait for a vacancy to occur).

D. Recruitment to the Counselor Series from the Outside

Coach and ES Trainee positions are traditionally open to outside recruitment. ES Trainee is the level at which most professionals enter the employment service. The model outlined herein also provides for recruitment from the outside for all professional counselor classes.

E. Adaptation of the Model to State Agency Classification and Compensation Plans

The staffing system described is intended as a model, not as a set of standards to be applied rigidly regardless of their appropriateness to a given State agency. The purpose of these guidelines is to assist State agencies to modify their counselor staffing procedures to meet current personnel needs. The model presented assumes a typical State agency personnel system. However, internal and external variations in different areas may require appropriate modification. For example, the educational qualifications of the model class specifications call for graduate level counselor training, since it is the prevailing practice of most universities to offer only graduate level courses in this field. In a few States, however, some undergraduate curricula in counseling are being developed. States where such developments are taking place may want to take them into account in formulating minimum qualifications.

F. Relationship of Counselor Series Pay Levels to Other ES Classes

Since the performance of duties assigned to counselors requires advanced academic preparation in increasing amounts, some salary

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incentive may be necessary to attract personnel who possess such qualifications or are willing to acquire the necessary training. The following alternatives are suggested where recruitment and retention are problems:

1. Shortage occupations are often assigned a pay level one or more steps above the minimum for that grade. This action may be appropriate for counselors.
2. In States where there are many pay grades in the compensation plan, and certain grades are normally skipped on a career ladder, counselor classes may be reclassified to the next higher intermediate grade.
3. Counselor classes may be assigned one full grade above other classes calling for comparable amounts and kinds of experience but not requiring graduate level training.

In States where counselor graduate training is provided by the agency as part of the job (i.e., it takes place during office hours and the State agency pays for the training), the need for a pay differential would not be as great as in the case where the employee must obtain the training on his own. In the latter case, the differential should be substantial.

III. Selection

A. General Considerations

One of the primary reasons for the establishment of a new model for counselor staffing is to make selection procedures more relevant to professional standards and to the job as it is currently being performed. Merit system agencies base selection procedures on class specifications. Consequently, the first step in improving selection is to revise class specifications. The ES agency is responsible for initiating revisions of class specifications and working with the merit system agency to develop effective selection methods. In many States the selection process for entry into counseling tends to place the most weight on academic achievement, without attempting the more difficult measurement of the human relationship skills and job related knowledge vital to the counselor's job. This model attempts to balance academic standards with personal characteristics and other selection criteria. Ranking of candidates is to be accomplished by making demonstrated ability or potential the key factors in the selection process.

Selection should be based on the "Minimum Qualifications for Entry" in the appended class specifications. (Minimum Qualifications for Coach and ES Trainee are contained in GAL 1135 and Change I, and GAL 1336.) Experience and training are measured objectively and constitute the initial pass-fail hurdle. Skills, knowledge, and abilities should constitute the basis for ranking candidates.

The diagram on the following page shows the experience and training

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SUMMARY OF MINIMUM QUALIFICATIONS3 WAYS TO ENTER THE COUNSELOR LADDER

	<u>INITIAL PROMOTION</u>	<u>FROM OUTSIDE WITH EXPERIENCE</u>	<u>FROM OUTSIDE WITH NO EXPERIENCE</u>
Coach	1 Year as Agent	Experience Equivalent to Agent	
ES Trainee	1 Year as Coach	Experience Equivalent to Coach	Baccalaureate Degree
Counselor I	1 Year as ES Trainee and 15 hours of training in a counseling curriculum	Experience Equivalent to ES Trainee and 15 hours in a counseling curriculum	30 Hours of advanced training in a counseling curriculum
Counselor II	1 Year as Counselor I and 30 hours of training in a counseling curriculum	Experience Equivalent to Counselor I and 30 hours in a counseling curriculum	60 Hours of advanced training in a counseling curriculum
Counselor III	1 Year as Counselor II and 40 hours of training in a counseling curriculum	Experience Equivalent to Counselor II and 40 hours in a counseling curriculum	Doctorate with major work in counseling or psychology
Counselor IV	1 Year as Counselor III and 40 hours of training in a counseling curriculum	Supervisory Counselor Experience and 60 hours in a counseling curriculum	NOT POSSIBLE

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B. The Selection Process

Selection of employees from a list of candidates is a complex and difficult process. The counselor staffing model is designed so that demonstrated ability in past performance on the job and/or in counselor training will be the key factors in selection. The recommended selection method for Employment Counselor I through IV is the use of a selection panel, a group of at least three individuals, knowledgeable about the counselor's role and functions, who assess all relevant information about each candidate and assign him a score as the basis for a ranking of eligibles.

The selection panel is recommended because of its particular suitability for the staffing training model described herein. Under this model, all candidates will have had relevant job experience and/or professional level training in counseling. If properly evaluated, these factors should constitute a more valid basis for selection than a written test of specific knowledge.

Selection under these guidelines should aim for reliability, objectivity, and validity. As much attention should be given to identifying the necessary interpersonal and other skills, and the technical knowledge and abilities to apply them, as to the methods for assessing these qualifications.

The State merit system would, of course, appoint the panel when the examination is open-competitive. If the examination is promotional, the conduct of the panel would, in most States, be delegated to the State employment security agency. Panel members should include, as a minimum, a counseling supervisor, a State merit system representative, and a local office manager. A counselor director and a representative of a community human services agency might also be included. A systematic method of evaluating each candidate should be developed for use by the panel, and the panel members should be trained in its use. Items which the panel should assess include the following:

1. For candidates from within ES
 - a. Evaluations of the candidate's job performance by his immediate supervisor, counseling supervisor, and/or other counselors.
 - b. Evaluations of performance in OJT and out-service training by instructors.
2. For candidates from outside ES with experience
 - a. Relevancy of outside experience to ES counseling.
 - b. Evaluations of job performance by counseling supervisor or others familiar with his work.
 - c. Evaluations of relevancy and quality of academic training, particularly practice counseling.

3. For candidates from outside without experience

a. Relevancy and quality of academic training, particularly counseling practicum.

b. In lieu of job performance capability, some evidence of emotional and social maturity.

Since routine job performance ratings, as used in most agencies, usually result in 90 percent or more of employees being rated satisfactory, it would be more useful to develop a special promotional rating procedure for use by the selection panel in considering candidates for promotion from within the agency. Such ratings should consider the individual's potential for the specific job for which he is applying. The raters, who will generally be counseling supervisors, should be trained in the technique of rating to assure some uniformity of approach. Such ratings should be reviewed by the supervisor of the raters.

Panel members should review the materials for each candidate independently and assign a numerical rating to each one. The final score of the candidate would be the average of the ratings of all panel members. An interview of the individual candidate by the panel is usually unnecessary when the panel has available written evaluations of the candidate's performance as an ES Counselor or ES Trainee. However, an interview may be desirable when (1) the panel needs more information or clarification of the written information, (2) the candidate's experience has been outside the employment service, or (3) the candidate meets the minimum qualifications solely on the basis of academic training.

Selection guidelines for the Coach and Trainee classes are contained in CAL's 1012, 1135 and Change 1, and 1336. These are general purpose classes, and candidates would be appointed to them through existing merit system procedures. Selection of individuals from these classes for counselor training would be made by the State agency or an agency selection panel.

C. Selection for Training

Selection for training should take the following factors into account:

1. Demonstrated ability to relate effectively to disadvantaged applicants.
2. Interest in becoming a counselor, including participation in continuing training.
3. Ability to absorb the training, including in-service and out-service training courses.

Item 3 should be evaluated primarily on the basis of past performance in the amount of schooling completed, but not as a major criterion. Since

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many persons of outstanding ability in item 1 may be preprofessionals with low formal academic achievement, no formal education minimum should be imposed. The new model for counselor staffing aims to bring into the counseling field those paraprofessionals who know the problems and life styles of the disadvantaged from personal experience.

The training provisions of the model incorporate the following requirements:

1. Out-service training to be provided for professional counselors and selected coaches and LS trainees as part of their job (i.e., the State agency arranges for the training and allows trainees time off to attend classes).
2. In-service training, both formal and on-the-job, to be coordinated with out-service training.

Unless out-service training (particularly for the Counselor I level) is given as a part of the job, very few paraprofessionals will be able to meet the qualifications, and the program will fail to accomplish its objective. The minimum requirements in the model class specifications are based on the assumption that the State agency will sponsor appropriate training programs as described below.

IV. Developing the Training Program

A. Counselor Training a Cooperative Endeavor

An adequate training program should combine the education given by training institutions and the work needs of employment service counselors. Since the objective of counselor education is to provide skills to meet the specific needs of employment service applicants, those parts of the training that can be provided more effectively by the university and by the employment service should be identified. This will require close collaboration between the director of the program at the training institution and the State counseling and training supervisors of the employment service. The regional counseling specialist will be available for consultation in developing the training program. Among areas which might be covered in in-service training are occupational information, employability development planning, employment service testing, and maintenance of counseling records.

To accomplish a coordinated program, both the university and the employment service need to make changes such as:

1. The university should be encouraged, where necessary, to modify its policy with respect to admissions and credits to provide for:
 - (a) full graduate credit for those who have been admitted as graduate students or who have matriculated for a graduate degree, and (b) credit under a continuing education concept for those who are able to complete

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their coursework successfully regardless of their educational background. Course content and laboratory or practicum experience should be modified by the university to meet trainees' needs. At the same time, prerequisites and course structure needed to meet degree requirements must be retained for those trainees who are eligible for a degree.

2. The employment service should: (a) establish and maintain adequate salaries for trainees and full-functioning counselors in order to attract and retain competent staff, (b) maintain a record in each individual's personnel file of all in-service and out-service training completed together with credits granted by the university, (c) accept the fact that the university must maintain its standards when credit is to be granted for coursework, (d) recognize that the trainee's attainment of competencies is more important than whether or not he receives academic credit for the work, and (e) provide trainees with work experience which will enable them to integrate their work with the educational component.

The trainee should understand that, when he is provided with out-service training at the State agency's expense, he has an obligation to remain with the agency long enough to justify their investment in his behalf.

B. The Training Curriculum

The educational experiences sufficient to qualify an individual for each step on the career ladder should be demonstrated by satisfactory completion of requisite semester hours in basic learning areas rather than in specific subjects. These basic areas should include:

1. Theory and techniques of individual and group counseling.
2. Basic psychological principles.
3. Individual assessment and appraisal.
4. Knowledge of cultures and environmental social problems and the roles and functions of community agencies.
5. Educational and occupational information.
6. Process of developing employability development plans and operation of employability development teams.
7. Ethics and legal responsibilities.
8. Research and supervision.
9. Practicum.

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These areas of study and suggested credit-hour breakdown for each level are shown on the following page.

In addition to the practicum on the job and at the training institution, in-service training should be planned cooperatively with the university. Supplemental practicum training could also be conducted in other community human service agencies. Appropriate subjects for in-service training (e.g., occupational information, IQ testing, employability development process, and team operations) should relate to the skills, knowledges, and abilities sections of the model class specifications.

It is possible that some in-service training, conducted by the State agency, when planned with or supervised by the training institution, might be granted university credit. Employment service counselors might also receive graduate credit for their role in training others, as has been done in some New Careers programs.

OUT-SERVICE COUNSELOR TRAINING CURRICULUM

<u>Subject Areas</u>	SUBJECT AREAS (with semester hours indicated) to be completed to qualify for-		
	Employment Counselor I	Employment Counselor II	Employment Counselor III
Techniques of Counseling	3	3	3
Psychological Principles and Psychology of Careers	3	2	
Assessment and Appraisal	3	3	
Cultures and Environment	2	3	
Occupational Information	2		
ED Planning and Team Operations	2		2
Ethics		2	
Practicum in Counseling		2	2
Research and Supervision			3
	<u>15</u>	<u>15</u>	<u>10</u>

Appendix AModel Class Specification

EMPLOYMENT COUNSELOR I

A. General Description

This is the entry level of the Employment Counselor series in which the employee handles cases of limited difficulty under close supervision of a higher level counselor. The employee assists the counselee to formulate an employability plan by assessing his life situation and relevant psychological characteristics, and relating these to occupations, available training opportunities, and community resources. The employee confers frequently with his supervisor on specific clients and refers to him the more difficult cases. The employee receives on-the-job training in more advanced counseling techniques and usually receives additional professional outservice training.

B. Examples of Duties

1. Provides assistance to counselee in formulating an employability plan which may involve remedial education, work orientation, skill training, job placement, and support services.
2. Discusses with counselee his education, work history, interests, abilities, and other relevant factors in order to help him assess his employability needs.
3. Consults with supervisor or senior staff member on difficult cases and refers cases which are beyond his capability.
4. Conducts orientation to work programs for counselees.
5. Refers counselee for administration of assessment devices measuring aptitudes, work sample performance, educational achievement, interests, etc. Interprets and discusses results with him.
6. Provides counselee with information on occupations generally, local job and training opportunities, and support services available in community.
7. Coordinates with other staff members and community service agencies to implement counselee's employability plan and periodically follows up to assure progress, or directs others in these activities. Continues periodic counseling of applicant as necessary.

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C. Minimum Qualifications for Entry1. Skills, Knowledge, and Abilities

Skill in gaining the confidence of counselees, involving them in the development of an employability plan to the end that they are motivated to carry out the plan.

Skill in communicating effectively with clients, many of whom are disadvantaged and/or minority group members.

Knowledge of personality development, adjustment, and individual differences, with emphasis on cultural and environmental factors affecting disadvantaged groups; methods of assessment of individual differences relevant to occupational adjustment; requirements of various occupations in terms of aptitudes, interests, training requirements, etc.; community resources and supportive services; counseling techniques, including group counseling; the particular employability problems and needs of disadvantaged persons.

Ability to apply above knowledges effectively to the counseling process.

2. Training and Experience

a. Completion of 30 graduate semester hours, at an accredited college or university, beyond the baccalaureate degree, in a counseling curriculum including some supervised practicum in counseling,

OR

b. Successful completion of at least 1 year of experience as an ES Trainee, performing counseling related functions (or equivalent qualifying experience, as stated below) and 15 professional level semester hours in a counseling curriculum.

D. Equivalent Qualifying Experience

One year of experience at the trainee level or higher, working with individual clients in a counseling type of relationship (i.e., helping individuals to resolve employment or personal problems) in one or more of the following settings:

1. In a community action agency or similar organization dealing with employment or training of the disadvantaged.
2. In a school, vocational rehabilitation agency, prison, reformatory, or in a narcotics, alcoholism, or mental health treatment center.

The actual job title need not have been "Counselor." On-the-job training under supervision of a qualified counselor will be counted as qualifying work experience. Routine job placement or job selection interviewing for a public or private employer or agency will not be considered qualifying experience.

Model Class Specification

EMPLOYMENT COUNSELOR II

A. General Description

At this level of the Employment Counselor Series the employee is capable of handling almost all cases which he encounters, and works under general supervision with some consultation with the counseling supervisor. Working primarily with the disadvantaged, individually and in groups, the employee assists the counselee to formulate an employability plan by assessing his life situation and relevant psychological characteristics and relating these to occupations, available training opportunities, and community resources. The employee often works with counsees who have difficult psychological or situation problems or handicaps who have been referred by lower level counselors.

B. Examples of Duties

1. Counsels individuals with occupational and career choice and job readjustment problems to promote self-insights and vocational maturity.
2. Assumes increasingly heavy counseling load and increasing responsibility for basic counseling duties listed under specifications for Employment Counselor I.
3. Counsels individuals referred with more difficult employability problems, such as handicapped applicants and those with behavioral disorders, prison records, alcoholism, and drug addiction.
4. Conducts group counseling sessions and orientation-to-work programs for counsees with more severe employability problems.
5. Coordinates with other staff members and community service agencies to implement counselee's employability plan and follows up periodically to determine progress, or directs others in these activities. Provides continuing counseling as needed.

C. Minimum Qualifications for Entry1. Skills, Knowledge, and Abilities

Considerable skill in gaining the confidence of counsees and involving them in the development of an employability plan to the end that each one is motivated to carry out his plan. Considerable skill in communicating effectively with counsees, many of whom are disadvantaged and/or minority group members.

Considerable knowledge of: personality development, adjustment, and individual differences with emphasis on cultural and environmental factors

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affecting disadvantaged groups; methods of assessment of individual differences relevant to occupational adjustment; requirements of various occupations in terms of aptitudes, interests, training requirements, etc.; community resources and supportive services; counseling techniques, including group counseling; and the particular employability problems and needs of disadvantaged persons.

Knowledge of special behavioral problems hindering vocational adjustment, including alcoholism, drug addiction, and mental illness.

Knowledge of the employability problems of special groups, such as youth, older workers, the physically handicapped, and prison releasees.

Ability to apply the above knowledges effectively to the counseling process.

2. Training and Experience

a. Completion of 60 graduate semester hours, at an accredited college or university, beyond the baccalaureate degree, in a counseling curriculum, including considerable supervised practice in counseling,

OR

b. Successful completion of at least 1 year of experience as an Employment Counselor I (or equivalent qualifying experience as stated below) and 30 advanced level semester hours in a counseling curriculum, including practicum.

D. Equivalent Qualifying Experience

One year of experience as a counselor at the entry professional level or higher, in which the worker developed skill in assisting people to solve personal problems related to vocational adjustment in one or more of the following settings:

1. In a community action agency or similar organization dealing with employment or training of the disadvantaged.
2. In a school, vocational rehabilitation agency, prison, reformatory, or in a narcotics, alcoholism, or mental health treatment center.

Working as a professional trainee under supervision of a qualified counselor will be counted as qualifying work experience if the work involved actual counseling of individuals or groups and there is evidence of satisfactory progress on the job. Merely serving as an assistant to a counselor or performing routing work such as test administration will not be considered qualifying.

Model Class Specification

EMPLOYMENT COUNSELOR III

A. General Description

At this level of the Employment Counselor series the employee performs one or more of the following functions: (1) Supervises a small staff or subunit of counselors; plans and directs operations, evaluates performance, provides on-the-job training in more advance techniques, confers with staff on more difficult cases, and may take referrals of such cases. Work is performed under general administrative supervision of local office manager or higher level supervisory counselor; (2) Serves as a senior counselor in a large local office; counsels applicants with severe problems who have been referred by other counselors; provides on-the-job training and professional consultation to lower level counselors; conducts research projects and special evaluations; assists counseling supervisor in functional program management. Work is performed under general administrative supervision of supervisory counselor.

B. Examples of Duties

1. Plans, schedules, and directs work of other counselors in a small office or in a subunit of a large office.
2. Coordinates work of counseling unit with other human service agencies in the community to facilitate cross-referrals.
3. Provides on-the-job training to other counselors in more advanced techniques and evaluates their work performance.
4. Provides consultation to lower level counselors on difficult cases and takes referral of particularly difficult cases often involving severe barriers to employability such as drug addiction, alcoholism, behavior disorder or a prison record.

C. Minimum Qualifications for Entry1. Skills, Knowledge, and Abilities

Extensive skill in gaining the confidence of counselees and involving them in the development of an employability plan to the end that each one is motivated to carry out his plan.

Extensive skill in communicating effectively with counselees, many of whom are disadvantaged and/or minority group members.

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Extensive knowledge of (a) personality development, adjustment, and individual differences, with emphasis on cultural and environmental factors affecting disadvantaged groups; (b) methods of assessment of individual differences relevant to occupational adjustment; (c) requirements of various occupations in terms of aptitudes, interests, training requirements, etc.; (d) community resources and supportive services; (e) counseling techniques, including group counseling; (f) the particular employability problem and needs of disadvantaged persons.

Considerable knowledge of special behavioral problems hindering vocational adjustment, including drug addiction, alcoholism, and mental illness. Considerable knowledge of the employability problems of special groups such as youth, older workers, the physically handicapped, and prison releasees.

Knowledge of techniques of research and evaluation of counseling.

Ability to apply the above knowledges effectively to the counseling process. Ability to plan, supervise, and evaluate the work of others and train others in counseling techniques. Ability to coordinate counseling program with other activities of the local office and with other agencies.

2. Training and Experience

a. Possession of a doctoral degree in counseling from an accredited college or university, including considerable supervised practice in counseling.

OR

b. Successful completion of at least 1 year of experience as an Employment Counselor II (or equivalent qualifying experience, as stated below) and 40 graduate level semester hours in a counseling curriculum, including a practicum or internship.

D. Equivalent Qualifying Experience

One year of experience as a full-functioning professional counselor with individual responsibility for helping individuals to resolve personal problems related to vocational adjustment in one or more of the following settings:

1. In a community action agency or similar organization dealing with employment or training of the disadvantaged.
 2. In a vocational rehabilitation agency, prison, reformatory, or in a narcotics, alcoholism, or mental health treatment center.
- Routine guidance counseling in a school is not qualifying for Counselor III.

Model Class Specification

EMPLOYMENT COUNSELOR IV

A. General Description

At this level of the Employment Counselor series the employee has full professional and administrative responsibility for the functioning of all phases of the counseling program in one large or several smaller local offices. The employee plans and directs all operations, schedules work, evaluates staff performance, and directs on-the-job training in more advance counseling techniques. He may also supervise other counseling related functions such as testing or coaching, and conduct research in counseling techniques.

Work is performed under general administrative supervision of either the local office manager or area manager.

B. Examples of Duties

1. Assesses needs of applicants and community for employment counseling service and plans and implements a program to meet those needs.
2. Directs all phases of the counseling program in a given locality including scheduling of work, employee evaluation, and on-the-job training.
3. In coordination with the local office manager, establishes and maintains close working relationships with other public and private human service agencies in the community to facilitate cross-referral of clients.
4. Establishes and coordinates a university outservice training program for counseling staff.
5. Coordinates the counseling program with other units of the local office; may supervise counseling related functions such as coaching and testing.
6. Conducts or supervises conduct of research and evaluation of effectiveness of counseling program.

C. Minimum Qualifications for Entry1. Skills, Knowledge, and Abilities

Extensive knowledge of personality development, adjustment, and individual differences, with emphasis on cultural and environment factors affecting disadvantaged groups; methods of assessment of individual differences relevant to occupational adjustment; requirements of various occupations in terms of aptitudes, interests, training requirements, etc.; community resources and supportive services; counseling techniques, including group counseling; the particular employability problem and needs of disadvantaged persons.

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Considerable knowledge of special behavioral problems hindering vocational adjustment, including drug addiction, alcoholism, and mental illness.

Considerable knowledge of employability problems of special groups such as youth, older workers, the physically handicapped, and prison releasees.

Considerable knowledge of techniques of research and evaluation of counseling.

Ability to apply the above knowledges effectively in the development and management of a counseling program.

Considerable ability to plan, supervise, and evaluate the work of others and to train others in counseling techniques.

Considerable ability to coordinate counseling program with other activities of the local office and with other agencies.

2. Training and Experience

a. Successful completion of at least 1 year of experience as an Employment Counselor III, including some supervisory responsibility, and 40 graduate-level semester hours, at an accredited college or university, in a counseling curriculum.

OR

b. Successful completion of at least 1 year of equivalent qualifying experience, as stated below, and 60 advanced-level semester credit hours in a counseling curriculum.

D. Equivalent Qualifying Experience

This experience must have been as a fully-qualified professional counselor, supervising other professional counselors in one or more of the following settings:

1. In a community action agency or similar organization dealing with employment or training of the disadvantaged.
2. In a vocational rehabilitation agency, prison, reformatory, or in a narcotics, alcoholism, or mental health treatment center.

The individual must have had full responsibility for the counseling program, generally including such functions as hiring staff, planning, reviewing, and evaluating work of professional staff members under his supervision.

Senator NELSON. Our next witness is Jim Spensley of the Minnesota Occupational Information Systems.

Mr. Spensley, your statement will be printed in full. If you can summarize it, it would be very helpful.

STATEMENT OF JIM SPENSLEY, MINNESOTA OCCUPATIONAL INFORMATION SYSTEMS

Mr. SPENSLEY. I am testifying today for nine State occupational information systems directors whom you have supported through the Comprehensive Employment and Training Act of 1973. We appreciate your invitation to appear before the committee. The directors of these projects have asked me to share with you our support of S. 1242 and the amendments offered by Senator Javits and Senator Humphrey. Together, these provide the impetus needed to break the unemployment cycle and provide for future manpower needs.

We support the concept that occupational information should be available to young people so that they can make career decisions and function in the labor market.

We support the strategy in the Humphrey-Javits amendments which would divide the funds between information suppliers and direct service agencies. Counselors are users, not suppliers of occupational information. We further believe that the Federal Government should support and coordinate data programs and dissemination activities.

Mr. Chairman, I sincerely hope that the technical points I will raise hereafter will not be construed as in any way diminishing our support of the basic legislation.

We are concerned that the OICC's are selected vehicles for OIS.

First, there are already workable rules for career planning information. Regulations in the form of standards and guidelines were published in 1974 as part of title III of CETA.

Second, the HEW regulations for State occupational coordinating committees have yet to be adopted. Youth need both labor market information and education or training information, but no single agency or program suffices. Neither can all young people's information needs be met only at school or only at employment centers. Also some consideration of the local employers' side of the job market is essential.

Third, the State OICC's lack sufficient breadth and scope. Our report shows that the broad consortium of State agencies in the Department of Labor Standards is necessary, wise, and efficient for the development of information on career planning. State OICC's would need more fleshing out and a broader charter.

It seems to us that established CETA channels would be more efficient at least for this year for funding. We suggest a mandate to use existing State occupational information systems and to set up similar consortia perhaps with funding directed to State manpower councils. Prime sponsors should be directed to such information systems for career planning data.

CETA agencies should participate with others in a larger consortium for occupational and career planning information development.

I thank you very much.

[The prepared statement of Mr. Spensley follows:]

Remarks by Mr. James R. Spensley, Executive Director, Minnesota Occupational Information System, on behalf of himself and eight other directors of State Occupational Information Systems in Oregon, Washington, Colorado, Wisconsin, Michigan, Ohio, Alabama, and Massachusetts, April 22, 1977.

Mr. Chairman Nelson and Honorable Members of the Subcommittee:

I am testifying today for nine statewide occupational information systems which you have supported through the Comprehensive Employment and Training Act of 1973. The directors of these projects have asked me to share our approval of, and concerns about, youth employment and related occupational information. Young people are served by our projects, and we are helping them "make smoother transitions at key points during their career-life, such as the transition from school to work".¹ We are joined in these concerns by other groups who are operating or organizing occupational information systems in their states.

There is much wisdom in the proposed youth employment act not only because young people need jobs but because there is a great need to break the unemployment cycle and to meet future manpower demands of our national economy. The better opportunity to meet these needs may be through tomorrow's workers.

We support legislation toward these ends.

Studies by Herbert S. Parnes² and others have shown that, other things being equal, individuals with access to occupational and career planning information receive more remuneration and suffer less unemployment over their working lives. In numerous investigations, our nation's youth have been found to lack the knowledge needed to make career decisions or effectively use necessary occupational information; and to be unable to demonstrate job skills and behavior for maintaining employment.³ In one survey,⁴ 86% of the youth center counselors interviewed reported that the youth with whom they

worked lacked job preparation skills. This included lack of information regarding educational and occupational requirements, employment expectations, and work experience.

Many reports⁵ have implied that just having the technical skills to perform a specific job is not enough to function successfully in the job market. After reviewing various research, Dr. E. L. Herr in 1975 identified what he termed "survival skills" which "seem to be important to educational achievement, to career development, and to work satisfaction and adjustment".⁶ From these findings, one could speculate that youth may enter the job market with little or no idea of formal and informal role expectations. They need information to prepare for these encounters.

Also, for most people there is a time, usually in youth, when life-long career decisions are made and when accurate and relevant information is crucial.⁷ Youth employment provides this information in one of its best forms: experience. So, we believe that direct services related to career counseling and youth employment are very valuable. But we disagree with a strategy which would require counselors and other direct service personnel to produce and develop occupational and educational information. Studies⁸ have indicated that counselors already have a heavy client load and have over-extended themselves in trying to supply guidance information. Counselors do not have the resources, access to data, or time to develop occupational information.

Many kinds of career planning information should be made more available to young people.

Youth need knowledge about themselves, educational and training opportunities, and the skills to use this information once it has been made available.

Special skills are needed to synthesize raw labor market data into useful occupational and career planning information. Such topics as wages and employment outlook cannot be researched and maintained using a population base which is too small for labor

statistics. Also, such topics as licensing or certification are typically statewide, not local or national requirements. Furthermore, systems based on computerized delivery of information are an economical way to record and present work-experience opportunities. With this information, young people can relate their work experiences to decisions they are making about adult employment.

We would suggest, therefore, that appropriations for direct services and occupational information development be separated. There is a body of knowledge and of law relating to the development of state occupational information systems. Our experience is that the Standards and Guidelines¹ for state occupational information systems are a good model for efficient production and dissemination of current, accurate, and locally relevant information.

Experience in ten states indicates that a population of 2 to 4 million persons is the minimum efficient size for a career information system. Prime sponsors should be directed toward participation in a larger consortium with educators and employers, rather than toward various smaller information programs. A portion of funds should be designated for establishing a supportable occupational information system at an economic level, perhaps by allocation of the monies to the states or the State Manpower Councils. There ought to be coordination with other users of occupational information systems such as colleges and vocational-technical schools. However, the Occupational Information Coordinating Committees, as established last year, define too narrow an association. It will be some time before HEW regulations are adopted for state occupational information coordinating committees. Consequently, Federal support for occupational information systems is more efficiently routed through the Department of Labor. Funds also should be identified for application and use of occupational information by CETA agencies at the delivery level, and for evaluation of the overall process.

Such a plan would effectively develop both the expertise and agency necessary to use BLS data, area wage surveys, educational information, census data, and other available sources for youth, who need concise yet current accurate reports. Expert analysis of labor market conditions, occupational data and related labor statistics can and should be shared by direct service agencies, including CETA prime sponsors, schools, employment service agencies, and so forth.

At present, much labor market data is available through the efforts of the Department of Labor and its labor market statistics programs. There are many state and local variations of importance and BLS national data are often an aggregation of data collected in smaller areas and available at that level to a trained occupational information developer. While statistical data and detailed research reports are not appropriate for direct youth referral, there is no easier way to get at this information. As major data users, we are concerned that some DOL or HEW information programs would be duplicated rather than improved. We believe more coordination with existing functions and recent legislation is indicated. I refer particularly to the Education Amendments of 1976⁹, certain provisions of Title III of the Concentrated Employment and Training Act of 1973 and H.R. 7 in this Congress.¹⁰ In the case of occupational and career planning information, general population programs provide appropriate data collection for youth information. Indeed, young people are the designated population for career planning information.

An emphasis, rather than a parallel organization would, in our opinion, better serve youth. Two things are needed: labor market and education data programs and state-level projects to synthesize their products and other data for career planning.

Thank you for your attention and consideration.

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Senator NELSON. Thank you very much for taking the time to come and present your comments on this legislation. We appreciate it very much.

Our next witness is Mr. John Crosier, director of the Massachusetts Division of Employment Security and president of the Interstate Conference of Employment Security Agencies.

The committee appreciates your taking the time to come and present your statement. It will be printed in full in the record, and if you can summarize it, it will be helpful.

STATEMENT OF JOHN D. CROSIER, DIRECTOR, MASSACHUSETTS DIVISION OF EMPLOYMENT SECURITY, AND PRESIDENT, INTERSTATE CONFERENCE OF EMPLOYMENT SECURITY AGENCIES, ACCOMPANIED BY WILLIAM HEARTWELL, EXECUTIVE VICE PRESIDENT OF THE INTERSTATE CONFERENCE OF EMPLOYMENT SECURITY AGENCIES; AND DAVID HILBURN, DEPUTY DIRECTOR OF THE MASSACHUSETTS DIVISION OF EMPLOYMENT SECURITY

Mr. CROSIER. Thank you, Senator Nelson.

I have with me William Heartwell, executive vice president of the Interstate Conference of Employment Security Agencies and David Hilburn, deputy director, Massachusetts Division of Employment Security.

Mr. Chairman, State employment security agencies are concerned with and have been working to alleviate problems of unemployed youth for the past four decades. For this reason, we strongly endorse the concepts included in S. 1242. Moreover, we believe that the amendments which ICESA is proposing will strengthen the bill, will clarify proposed responsibilities, and will improve the chances of young people to obtain gainful and meaningful employment.

Our amendments are focused on the bill's four major defects, as we see them:

1. The absence of an employment service role.
2. The omission of a discretionary allotment to Governors.
3. The lack of a clearly defined focus for the Comprehensive Youth Employment and Training Act.
4. A clear statement indicating the Congress' desire to eliminate duplication and overlap among the various government entities involved in employment and training services.

A role for the employment service:

Section 841 of our proposed new part D summarizes our concept of State Employment Security Agency responsibilities. It proposes to establish improved employment services to high school students approaching graduation, recent graduates, other in-school youth needing part-time or summer employment, and school dropouts needing part-or full-time employment in suitable, permanent unsubsidized jobs in the private and public sectors of the economy.

We suggest that youth unemployment can be greatly alleviated by facilitating the job search process through the placement, counseling, and related services available at local offices of the Federal-State Employment Service.

The Employment Service represents the principal point of contact between youth and any other employment and training agencies in any given year.

In fiscal year 1976, more than 3.8 million young people under 22 filed applications for work with local employment offices. This represents almost one-third of all new job applicants. During the same period, youth comprised 45 percent of all individuals enrolled in training by State Employment Security Agencies.

Mr. Chairman and members of this committee, the job of the Employment Service is jobs—permanent unsubsidized employment. In fiscal year 1976 our agencies found jobs for more than 1.3 million young people. This represented 4 of every 10 placements made for individuals of all ages. Fifty-seven percent of the youth placements were for nonwhite youth.

Discretionary funds should be provided for Governors who, as the chief executive officers of their States, are in a unique position to foster the development of new mechanisms and cooperative approaches to tackling the multiple problems of the least employable youth.

Therefore, we propose a revision which would allow for 60 percent for carrying out the provisions of part C and 40 percent for functions included under "Innovative and Experimental Programs," section 838(a). This would require amending section 833(d) to allocate 40 percent of the funds for activities under Section 838. We recommend that 20 percent, or one-half of the 40 percent, be allocated as discretionary funds for Governors and 20 percent for the Secretary of Labor.

Part C—Comprehensive youth and training program:

A major problem with part C of the bill is that it attempts to be all things to all people, and ignores the potential roles of other service providers.

It authorizes every known manpower service but provides no direction and no structure—only money. The revisions to this part stress the need for an emphasis on hard skills training coupled with a meaningful employment experience that provides support to the training, as well as income.

The revised part C is targeted on the least educated and least skilled youth who will have no decent jobs for many years unless intensive employability development services are provided, hence the change in name for this part to "Comprehensive Youth Employability Programs."

Duplication of services:

Experience over the past several years, recognized by the Congress, Federal, State, and local agencies involved in the CETA program, that considerable duplication exists between prime sponsors and community-based organizations and Employment Service responsibilities in job development, referral, and placements. We believe this is a disservice to individuals who need assistance, to employers, and to the taxpayers. To eliminate this possibility in the proposed youth legislation, we suggest an additional paragraph (5) under section 851(a). This should eliminate duplication and overlap among providers of employment and training services.

Mr. Chairman and members of the committee, despite the more than 40 years of cooperative relationships with our Federal partner, the Department of Labor, we believe that the existence and ability of the Public Employment Service in meeting the problems of unemployed youth has been overlooked by the Department in drafting this legislation.

We believe that it is both unconscionable and uneconomic to bypass an organization which has dealt with this problem for many years and has the capability and willingness to work with other employment and training institutions toward the stated goal of S. 1242.

Thank you, Mr. Chairman, for allowing me the opportunity to present the ICESA point of view. We would be happy to answer any questions now or later.

Senator NELSON. You are saying that the legislation should spell out some specific, precise mandate to the prime sponsor?

Mr. CROSIER. No, Mr. Chairman, we are saying the Employment Service, conspicuous by its absence in the draft which the administration placed before the Congress, should address this issue, and our revised section which is a part of our full testimony attempts to outline what we believe is the instrument to accomplish that coordination.

Senator NELSON. You have a proposed draft?

Mr. CROSIER. Yes, sir, it is part of our attachment. It is a revised section D.

Senator NELSON. I see.

That, along with the other proposals that have been made, will be specifically taken up by the members of the committee at the markup session.

Mr. HEARTWELL. Several years ago, we had working relationships with as many as 10,000 high schools according to the Department of Labor figures. Because of reduced appropriations in the manpower area in recent administrations, that is down to 4,000 high schools. The proposals that we placed before you today would change the administration's part C and target it more precisely under the least employable and the persons with the most problems.

It would create a new part D for job services for in-school youth who do have multiple problems, and would be a low-cost, high-volume program. In other words, what we are doing in creating this arrangement is beginning to start down the road of role definition of delivery services and better direction in terms of what it is the Congress and the people expect from the two manpower delivery systems.

Senator NELSON. Thank you very much, gentlemen, for your very valuable testimony.

[The prepared statement of Mr. Crosier follows:]

STATEMENT BY JOHN D. CROSIER

Director, Massachusetts Division of Employment Security

and

President, Interstate Conference of Employment Security Agencies, Inc.

to

Senate Employment, Poverty, and Migratory Labor Subcommittee

April 22, 1977

Summary of Statement on Proposed Amendment to S.1242
Youth Employment and Training Act of 1977

5. 1242 should be strengthened in the following manner:
1. A section should be added which would provide for job services to high school students, graduates, and drop-outs utilizing the facilities of the Public Employment Service.
 2. Discretionary funds should be provided for Governors to develop mechanisms and approaches for helping the least employable youth.
 3. Part C - "Comprehensive Youth Employment and Training Programs", needs to be more clearly focused on employability development.
 4. The bill should call for eliminating duplication of services between institutions involved in employment and training functions.

Mr. Chairman, and members of the Committee, my name is John D. Crozier, I am President of the Interstate Conference of Employment Security Agencies, Inc. I am also the Director of the Massachusetts Division of Employment Security.

Thank you for this opportunity to present to your Committee the views of the Interstate Conference of Employment Security Agencies on amendments to S.1242.

There is no need to review the dismal statistics on youth unemployment. These are well known to this committee and I am certain that our Federal partners in the Department of Labor have done so. State Employment Security Agencies are concerned with and have been working to alleviate problems of unemployed youth for the past four decades. For this reason, we strongly endorse the concepts included in S.1242. Moreover, we believe that the amendments which ICESA is proposing will strengthen the bill, will clarify proposed responsibilities, and will improve the chances of young people to obtain gainful and meaningful employment.

Our amendments are focused on the bill's four major defects, as we see them:

1. The absence of an Employment Service role
2. The omission of a discretionary allotment to Governors
3. The lack of a clearly defined focus for the Comprehensive Youth Employment and Training Act, and
4. A clear statement indicating the Congress' desire to eliminate duplication and overlap among the various government entities involved in employment and training services.

A Role for the Employment Service

Section 841 of our proposed new Part D summarizes our concept of State Employment Security Agency responsibilities. It proposes to establish improved employment

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services to high school students approaching graduation, recent graduates, other in-school youth needing part-time or summer employment, and school drop-outs needing part or full-time employment in suitable, permanent, unsubsidized jobs in the private and public sectors of the economy. We suggest that youth unemployment can be greatly alleviated by facilitating the job search process through the placement, counseling, and related services available at local offices of the Federal-State Employment Service.

The Employment Service represents the principle point of contact between youth and any other employment and training agencies in any given year.

In FY 1976, more than 3.8 million young people under 22 filed applications for work with local employment offices. This represents almost one-third of all new job applicants. During the same period, youth comprised 45% of all individuals enrolled in training by State Employment Security Agencies.

Mr. Chairman and members of this committee, the job of the Employment Service is - jobs - permanent unsubsidized employment. In FY 1976 our agencies found jobs for ^{over} 1.3 million young people. This represented four of every ten placements made for individuals of all ages. Fifty-seven percent of the youth placements were for non-white youth.

Finding work for 1.3 million people in paid employment is significantly more effective than the record of prime sponsors in Fiscal Year 1976 when about one-fourth of youth enrolled in prime sponsor programs were in subsidized work experience jobs.

We agree that in a democratic society provision should be made for government as an "employer of last resort" for those who, for many reasons, are unable to

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compete in the labor market. However, and I believe our proposed amendments emphasize this, such action should occur only after an individual has been exposed to job opportunities in unsubsidized employment. The Employment Service with its 2,500 local offices and over forty years experience is the unique institution in this country which has this capability.

The Employment Service experience with youth is exemplified by the Employment Service - Cooperative School Program which has been in existence since the mid 1950's.

This program sets specially selected employment counselors in many of the nation's high schools where it provides vitally needed services to the non-college bound students. In 1963 the program covered nearly 11,000 high schools and served about 600,000 prospective graduates. A survey conducted several years ago showed that because of budget stringencies, the program was operating in about 4,000 of the 20,000 high schools in the country.

In addition to this program the Employment Service has had long experience in meeting the needs of unemployed youth, including disadvantaged youth, through the Manpower Development Training Act, the Human Resource Development Program and the Comprehensive Employment and Training Act. These activities have related to in-school and out of school youth, including:

1. Direct placement assistance
2. Counseling and assessment to help young people make decisions for entering the world of work.
3. Job development
4. Labor market information

Based upon Employment Service experience and capability, given sufficient

resources, the Employment Service could be effective in contributing to assisting unemployed youth in the following ways:

1. Improve and expand the Employment Service school cooperative program to high school students and potential drop-outs with the delivery of services such as assessment of skills and potentials, counseling, placement assistance, and labor market information.
2. Strengthen specialized services to youths in local offices.
3. Youth seeking assistance in preparing for or obtaining employment would be directed to a community intake point in a local public employment office where the special youth services are located. From there, after interviewing and/or counseling individuals would be referred to either: employers, CETA prime sponsors for employability development or work experience, Job Corps, or other specialized community agencies.

Discretionary Funds for Governors

Discretionary funds should be provided for Governors who, as the chief executive officers of their States, are in a unique position to foster the development of new mechanisms and cooperative approaches to tackling the multiple problems of the least employable youth. Therefore, we propose a revision which would allow for sixty percent for carrying out the provisions of Part C and forty percent for functions included under "Innovative and Experimental Programs" Section 838 (a). This would require amending Section 833 (d) to allocate forty percent of the funds for activities under Section 838. We recommend that twenty percent be allocated as discretionary funds for Governors and twenty percent for the Secretary of Labor.

Part C - Comprehensive Youth and Training Programs

A major problem with Part C of the bill is that it attempts to be all things to all people, and ignores the potential roles of other service providers.

It authorizes every known manpower service but provides no direction and no structure--only money. The revisions to this Part stress the need for an emphasis on hard skills training coupled with a meaningful employment experience that provides support to the training, as well as income.

The revised Part C is targeted on the least educated and least skilled youth who will have no decent job for many years unless intensive employability development services are provided, hence the change in name for this part to "Comprehensive Youth Employability Development Program."

Duplication of Services

Experience over the past several years, recognized by the Congress, Federal, State, and local agencies involved in the CETA program, that considerable duplication exists between prime sponsors and community based organizations and Employment Service responsibilities in job development, referral and placements. We believe this is a disservice to individuals who need assistance, to employers, and to taxpayers. To eliminate this possibility in the proposed youth legislation, we suggest an additional paragraph (5) under Section 851 (a). This should eliminate duplication and overlap among providers of employment and training services.

Mr. Chairman and members of the committee, despite the more than forty years of cooperative relationships with our Federal partner, the Department of Labor, we believe that the existence and ability of the Public Employment Service in meeting

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the problems of unemployed youth has been overlooked by the Department in drafting this legislation. We believe that it is both unconscionable and uneconomic to by-pass an organization which has dealt with this problem for many years and has the capability and willingness to work with other employment and training institutions towards the stated goal of S.1242. Thank you for allowing me the opportunity to present the ICESA point of view. I would be happy to answer any questions.

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PART C - COMPREHENSIVE YOUTH EMPLOYABILITY DEVELOPMENT PROGRAMS

STATEMENT OF PURPOSE

Sec. 831. It is the purpose of this part to establish comprehensive employability development programs, supplementary to but not replacing programs and activities available under title I of this Act, to enhance the job prospects and career opportunities of young persons in obtaining unsubsidized employment. Through an integrated approach that provides skills training, remedial education, work experience, and supportive services, such programs will be designed to ameliorate the multiple barriers to employment which confront eligible youth who are least educated and least skilled.

PROGRAMS AUTHORIZED

Sec. 832. (a) The Secretary is authorized to provide, subject to such terms and conditions as he deems appropriate, financial assistance to enable eligible applicants (as defined in section 834) to provide necessary services for eligible participants including but not limited to:

(1) appropriate skills training, educational and supportive services designed to enable eligible participants to obtain long-term, stable employment, including:

- (A) outreach, assessment, and orientation;
- (B) employment counseling;
- (C) English as a second language;
- (D) remedial education;
- (E) institutional skills;
- (F) transportation assistance; and
- (G) other necessary supportive services; and

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(2) meaningful and productive employment and work experience in fields such as education, health care, social services, recreation, crime prevention and control, energy conservation, environmental quality control, and preservation of historic sites.

(b) To the maximum extent feasible, educational and training services and employment opportunities afforded under this part shall be interrelated and mutually reinforcing so as to achieve the goal of enhancing the prospects for long-term, stable employment of persons served under this part.

(c) Services provided under this part shall be linked to those employment services provided under part D, according to regulations established by the Secretary, to enable participants to secure suitable and appropriate unsubsidized employment in the public and private sectors of the economy.

Other Changes

- Section 833(a) - Change 50% to 60%
- 833(d) - Change 50% to 40%
- 835(a) - (3) Strike the proviso

Add para (5) under Sec. 851(a) to read:

"will be designed to minimize duplication and overlap among various providers of employment and training services."

INNOVATIVE AND EXPERIMENTAL PROGRAMS

Sec. 833. (a) One half of the funds available under section 833 (d) to carry out this section shall be provided to the chief elected officials of the various States to establish innovative and experimental programs that will test new approaches for dealing with the unemployment problems of youth. Such programs shall include, wherever feasible, cooperative arrangements between educational agencies, including junior and community colleges, the State employment service, and CETA prime sponsors to provide special programs and services for eligible participants, including skills training, job experience, counseling and guidance.

(b) The remaining one-half of the funds available under section 833(d) to carry out this section shall be used by the Secretary to conduct innovative and experimental programs for eligible participants for the purpose of comparing various delivery mechanisms and program techniques, services, and settings. With these programs, the Secretary shall determine the most effective and least costly approaches to enhance the prospects of eligible participants for securing employment in jobs through which they may be reasonably expected to advance to productive working lives.

(c) The Secretary shall annually publish the results of the programs carried under subsection (b), and a summary of State projects carried out under subsection (a).

(d) Funds available for distribution under subsection (a) shall be allocated on the basis of the relative number of eligible participants within the State as compared to such total numbers in all States.

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PART D - INTENSIVE JOB SERVICES FOR YOUTH
STATEMENT OF PURPOSE

Sec. 841. It is the purpose of this part to establish improved employment services to high school students approaching graduation, recent graduates, other in-school youth needing part-time or summer employment, and school drop-outs needing part or full-time employment. To the maximum extent feasible, services under this part shall be designed to facilitate the employment of urban and rural youth, including completers of programs conducted under part C of this title, in suitable, permanent unsubsidized jobs in the private and public sectors of the economy.

PROGRAMS AUTHORIZED

Sec. 842. The Secretary is authorized to provide, subject to such terms and conditions as he deems appropriate, financial assistance to enable eligible applicants (as defined in Section 844) to conduct cooperative programs with public and private schools, including junior or community colleges, throughout the Nation. Such cooperative programs will provide eligible participants with the following services:

(a) community-based central intake and information services for youth designed to provide--

- (1) comprehensive job opportunity information;
- (2) occupational, educational and training information through the State-wide career information systems; and
- (3) employment counseling orientation and assessment services leading to an improved understanding of job opportunities and career possibilities;

(b) job development, direct placement, and placement assistance to secure unsubsidized employment opportunities for youth to the maximum extent feasible; on-the-job training where specific skills barriers can be eliminated and other unsubsidized employment is not available;

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(c) where no suitable employment opportunities are available, referral to employability development programs, including but not limited to programs operated under this Act; and

(d) other programs and services which will foster the purposes of this part including youth serving youth and joint youth and employer activities such as job fairs, inspection trips and job try-out programs.

ELIGIBLE PARTICIPANTS

Sec. 843. (a) Eligible participants in programs authorized under this part shall include persons who, at the time of entrance into the program authorized by this part, have attained age 16 but not age 22, provided that, pursuant to such regulations as the Secretary may prescribe, persons who have attained age 14 but not age 24 may be eligible participants.

(b) In carrying out the program authorized under Section 842, priority shall be given to those schools and school systems in urban and rural areas in which substantial numbers of students are from low-income families or which experience high drop-out rates prior to graduation, or from which substantial numbers of students are planning to enter employment after graduation rather than to continue further training or education. Equity of access to services provided under this Part shall be accorded to schools and students from rural areas.

FUNDING OF ELIGIBLE APPLICANTS

Sec. 844. State employment services established under the Wagner-Peyser Act shall be eligible applicants for funds available under this part. The Secretary shall not provide financial assistance to an eligible applicant unless such applicant submits a plan for a school-to-work transition program which describes in such detail as the Secretary may require:

(a) a description of the geographic areas to be served, identifying the rural and urban areas included therein;

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(b) a description of the population to be served, including the total number of eligible participants residing in areas to be served, the percentage of those eligible participants who are members of low-income families, the percentage of those eligible participants who reside in urban and in rural areas, and percentage of those eligible who are members of minority groups;

(c) a description of the services to be provided, including a description of the applicant's cooperative agreements with State and local educational agencies (as provided in Section 846);

(d) the results and benefits anticipated; and

(e) the funds required to implement the programs, indicating the percentage of funds allocated to urban and to rural areas.

ALLOCATION OF FUNDS

Sec. 845. (a) Funds available for this part in any fiscal year shall be allocated as follows:

(1) 75 percent of the amount shall be allocated on the basis of the eligible participants within the State as compared to the eligible participants of all States; and

(2) 25 percent of the amount shall be allocated on the basis of the relative number of unemployed youth within the State as compared to such numbers in all States.

(b) In determining allocations under this subsection, the Secretary shall use what he or she determines to be the most recent and best available data.

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INTERAGENCY COOPERATION

Sec. 846. The Secretary of Labor and the Secretary of Health, Education and Welfare shall enter into a cooperative agreement which encourages State education agencies and local school systems to enter into agreements with the employment service in each State for the provision of services authorized under this part. State and local agreements shall specify the services to be performed, and shall describe the support services which may be provided by the schools. Where practicable, such agreements shall provide that services for in-school youth be performed at the school site.

Other Change

Designate Part D as Part E

Senator NELSON. Our last witness today is Mr. Richard Graham, former Director of the Teacher Corps.

We are pleased to have you here today.

Your statement will be printed in full in the record. If you can summarize it, we would appreciate it.

**STATEMENT OF RICHARD A. GRAHAM, FORMER DIRECTOR,
TEACHER CORPS**

Mr. GRAHAM. Thank you, Mr. Chairman. I can summarize my statement.

Thank you for an opportunity to appear before a chairman who, I know from experience, is responsible for legislation that works in this area.

I am coming here today partly on behalf of an educational policy committee that is interested in this because they believe it is not only an employment measure but it is probably the most important piece of education legislation to be enacted in this decade.

We support this for what it must do for the kids who have been overlooked. We suggest some changes as to what it should do for all young people. We do not want to let what you should do for all stand in the way of what you must do now for those young people who most need this help.

But I speak not only for that committee, I speak as you know, as a Wisconsin businessman and as a former Commissioner on the Equal Employment Opportunity Commission, as someone who was head of a Wisconsin school board and a college president and as a researcher from a center at Harvard.

It is through this research at Harvard on how kids grow up, how they develop motivation, what helps them through this period during which they are most at a loss that I think we have a sense of what ought to be done. And it is through the Teacher Corps, which you brought into being, that we learned how to make a Federal program get done what ought to be done.

We have nine recommendations to make with respect to this legislation. Principally, as others have said, it should not be seen as a short-term make-work program for the hard-core unemployed. It should be a long-term program of youth employment and educational reform in the United States. In order to accomplish this, we recommend these nine changes.

One, we would strengthen that part of your legislation that calls for coordination with local educational agencies and, indeed, make a condition or certainly as a factor in the selection of local projects, the fact that there would be collaboration with local educational agencies in which the greater share of costs of education and training would be provided by resources there present in the community, taking advantage of State aid and local aid to the high schools and community colleges, and so to break this unreal separation between education in the schooling and education through experience which somehow has crept into the educational process in the last two or three decades.

We would suggest therefore that in these programs we look to these arrangements that accommodate to local State laws and regulations so that the State and local aids can be provided for this education.

Second, we recommend that you strengthen that part of the legislation that permits you to deal with other Federal agencies, more particularly with the ACTION Agency which, in its program for local service, seems to have done a singularly good job in working out programs that will fit the basic CETA design but which helps you do more to match kids to jobs and to develop a personal relationship between the young employee and employer, an understanding between them that is, as I say, more personal, less remote. It matches better the young employee's interests and the abilities of the employer to help them out.

Incidentally, the research that has been done on those programs indicates that there is a substantially reduced substitution rate in those ACTION programs for local service; less substitution for other people in the work, less substitution for moneys that would otherwise be spent locally.

Third, we recommend that you make clear that there is authorization to cooperate with the Department of Health, Education, and Welfare in the training of people who will work in these programs, who will help to make the matches between the kids and the jobs, who will provide supportive services, who will help arrange for academic credits where they learn on the job and through the training that goes with it.

A new kind of educational person is called for in these programs, programs such as the Teachers Corps or the program for community education have some experience in training and the career-based education programs have some knowledge and experience in employing. Perhaps, by matching fund arrangements, these programs could use some of their own moneys and some provided under the innovative and experimental programs of this act, you could get the kind of training that is otherwise going to be hard to come by.

Fourth, we recommend an advisory council so that the information that has been gathered in these other programs may be shared. There is, as you know, a notable lack of sharing of such information. People in one program will not read the research reports or evaluations of others. They do not know each other.

One of the functions of that advisory council would be to get the people who are responsible for programs of this kind out to see the programs that are working and then to submit to the Secretary recommendations based on what they have seen.

Fifth, in connection with that provision of the legislation having to do with technical assistance, we call for a central clearinghouse for sharing information and models of programs that work with the eligible applicants and the project applicants. We suggest this for, based upon our Teachers Corps experience, if as a condition of funding you say that a proposal must be comparable in scope to a proven design it causes the local project personnel to examine with some care the models that have worked elsewhere and to be more clear about why their own designs would be better.

Sixth, in connection with evaluation, we recommend that there be created in the Office of the Assistant Secretary for Employment and Training, an Office of Inspector General for short-term evaluations.

Seventh, we recommend that cost effectiveness studies begin immediately, not only for programs to be initiated under this act, but for comparable programs now operating under CETA or a comparable au-

thority. We say this because we believe that a proper cost analysis of the programs to be established under this act, in comparison with the alternative programs of education, of custody, or of support will indicate that the programs which will be established under this act compare favorably, so favorably, in fact, that when we take into account the value of the services performed to these communities that it will be possible to remove the means tests now proposed for this legislation and to open it to all.

We say this also because we believe that the programs will become more effective in helping the hardcore unemployed, the kids who need it most if that is done.

We ask in that connection that the legislation call for a report to the Congress by the Secretary of Labor at the end of a year, or some other appropriate period, after enactment of the legislation, the report to deal with this question of the cost effectiveness of these programs as compared with the present costs of welfare or other support for unemployed youth and recommendations either that the means tests be dropped or preserved.

We recommend, as our eighth point that the Secretary have the authority to prescribe exceptions to the 12-month limitation on service. The variations in educational need and the benefits to be derived from these programs varies so much from person to person that we believe an extension at the discretion of the Secretary of not more than another 12 months to be desirable.

Ninth and finally, because this can be such an important part of the social legislation during this administration, because you are talking about \$1.5 billion and because the legislation itself, no matter how well drawn up, will really not determine what you are going to get done or help others to get done, we call for autonomy of this program, a measure of autonomy within the Department of Labor; specifically that the director of these programs report directly to the Assistant Secretary of Labor for Employment and Training so that you will have a greater chance of developing around this program the kind of spirit and dedication and energy that would, say, characterize the Peace Corps in its early days.

Incidentally, my own belief is that arrangements of this kind, arrangements that call for direct reporting to the Assistant Secretary so as to give a certain prominence and flexibility, should be subject to enactment review sometime after to verify that the requirement of such reporting continues to service the original intent.

We believe that this legislation will improve the quality of American education for the young people for whom it is least effective and that if its immediate tangible benefits exceed its costs—as we believe cost analysis will show—it should be open to all youth, regardless of if a program can be found that is effective and if you have means.

I thank you.

Senator NELSON. Thank you, very much, Mr. Graham, for your very thoughtful commentary on this legislation.

You did not identify who makes up the Education Policy Committee.

Mr. GRAHAM. It is attached to my statement. It includes Chancellor Scribner, Frank Reisman, David Seely who worked here in civil rights, Carl Marberger and a number of names you will remember from programs of the past, but who are very concerned with this legislation and can see that it has a great potential.

[The prepared statement of Mr. Graham follows:]

Richard A. Graham 4/22/77

Testimony on the Youth Employment and
Training Act of 1977 - S 1242

In behalf of the Education Policy Committee, I'd like to speak in support of the Youth Employment and Training Act and to recommend several changes. The Committee is composed of a group of educators, former administrators of federally supported programs of education and training, civil rights advocates, persons in business and with the T.V. networks, psychologists, and sociologists. The members are listed in an attachment.

We have particular interest in the Youth Employment and Training Act because we believe that it could become one of the most important pieces of social legislation enacted during the Carter Administration and, quite possibly, the most important education legislation of this decade. We believe this because some 1 3/4 million American teenagers - and some 40% of Black inner city teenagers - are out of school and unemployed but are still being educated - in the streets. The education that most of them are getting does them and society little good.

The Youth Employment and Training Act can not only provide the kind of education most needed by these young people - the responsibility of a job - but can also be an enormous step towards improved education for all American youth. The conclusion of the several recent studies and research projects listed below is that the best education for out-of-school, out-of-work youths is a job that involves taking responsibility for themselves and for

others. These studies conclude that all young people need to take responsibility early and that the education of millions of teenagers now suffers for want of such opportunity. My own experience strongly supports this.

- As a businessman and as Commissioner on the Equal Employment Opportunity Commission I learned that it is impossible to have equal employment opportunity if applicants are unequally prepared.
- As Chairperson of a school board and President of a college I learned that equal preparation does not come from equal schooling alone. Learning from school, from family, from peers, and from experience must, in the aggregate, be equal. For the poor this equality is hard to come by.
- From research at the Center I co-directed at Harvard we learned why vocational education and training don't work for many young people. Stated simply, they can't understand how the world works, can't yet see themselves moving up as responsible members of society. They just don't think in these terms. But from this research, mostly by Lawrence Kohlberg and by Harry Lasker - we learned how to help teenagers and young adults become members of society and how programs can be organized so that the consensus of a teenage or adult group changes from being anti-society or, more frequently, peer-society, to being that of helping one another get a job and get ahead.
- As Director of the Teacher Corps I learned something about how a government program can call upon the resources of local communities for program development and administration. Probably

the most important lesson we learned is that when change is wanted, it is not enough to distribute money to local agencies. Power must also be distributed - or redistributed - power to use the money in ways intended by the legislation. In the Teacher Corps, redistribution of power comes partly from giving greater say in how the money is spent to community groups and to the youth to be served. But much of the power redistribution comes from sharing knowledge about effective ways to use the money. Through technical assistance, the Teacher Corps was able in ten years to help bring about changes in teacher education that would normally have been expected to take fifty. Local authorities would in the end make their own decisions but, with technical assistance, they were better informed decisions.

- And from studies following the White House Conference on Youth - studies confirmed by other research cited below - we found evidence that there is enough youth type work in conservation, health, education, and similar activities to offer everyone between the ages of 16 and 20 a year of conservation or community service.

We urge therefore that the Congress enact legislation that will offer the opportunity for such work to the young Americans who need it most - those 16 to 20 who are out of school and out of work. We urge also that opportunities for part time community service be offered to teenagers still in school. And, we urge that research under the Act begin immediately to determine whether the value of the educational benefits and community services

obtained will prove sufficient to offer comparable opportunities for community service to all American youth regardless of means.

We urge the Congress to enact legislation that can be viewed as support for permanent youth service and education, not as temporary make-work for hard core unemployed youth. We do so for the following reasons:

- The legislation will meet not just a temporary or cyclical need for youth job creation but will meet what considerable evidence indicates is a long term, perhaps permanent need for youth job creation in an America that is committed to a fair minimum wage.
- It will help to restore a better balance between schooling and work in the education of American Youth and bring about a more effective distribution of education funds from all sources - local, state, and federal - between formal schooling and that kind of learning that comes from taking a responsible position in ones community.
- A program that enrolls participants from a mix of backgrounds will, according to recent studies, be more more effective in bringing about the changes that will alleviate hard core youth unemployment. It will in part do so by removing the stigma attached to programs for the poor and the indigent and will make it easier to develop the esprit, the committment to oneself and to ones associates that is all important to the success of programs of this kind.

for these reasons, we submit the following nine recommendations:

1) Monies appropriated under the Act should be used primarily to create jobs in conservation and community improvement. Therefore, as a condition of funding these projects, complementary programs of locally funded basic education and skill training should be arranged with community colleges and high schools. The purpose of this recommendation is to strengthen the sections of the Act (Sec 815b and 832 2) that call for coordination with local educational agencies. The purpose is partly to create as many jobs as the funds appropriated will permit and partly to encourage greater local collaboration between education in the schools and education in positions of community responsibility. We believe that ways can be found whereby participants can qualify for the state and local aid normally allocated to students enrolled in secondary schools or community colleges.

2) The Secretary should be authorized to allocate funds to the Director of ACTION to develop and carry out Programs of Local Service which meet the criteria for programs established under this Act. The purpose of this recommendation is to take advantage of the successful methods developed in ACTION's Program for Local Service for identifying projects of local need and for making a good match between the employee and the employer for the services to be performed and for the payment, supervision, and training to be given in exchange. Moreover, Programs for Local Service, as compared to many CETA programs, seem to substitute less for funds that local agencies would have spent anyway.

3) The Secretary should be authorized to allocate funds to the

Secretary of the Department of Health, Education, and Welfare for local programs of training of teachers and other educational personnel who, for the most part, would be employed by local educational agencies to:

- develop and carry out arrangements with local schools and community colleges for programs of skill training and basic education appropriate to the needs of participating out-of-school youths.
- develop and carry out arrangements with local educational agencies for the awarding of academic credit for the competencies derived or the knowledge gained from the work experience and training provided in these programs.
- develop and carry out arrangements with employers and labor organizations for attestation to the acquisition of job skills and to a record of successful performance on the job - the kind of attestation that helps in getting a job later on.
- assist in the process of matching the skills and interests of a youth with the needs and training opportunities of a job.
- develop and carry out programs of outreach and orientation.
- counsel youths and provide technical assistance to employers.
- arrange, where necessary, for transportation and other supportive youth services.
- make similar arrangements for the part time employment of in-school youth and help develop and carry out other in-school employment and occupational information services.
- serve, as requested, on community education-work councils.

The purpose of this recommendation is to draw upon the experience of HEW programs such as the Teacher Corps and the Community

Education Program in developing locally initiated programs of training of persons who have responsibility for the education of youth not only in the schools but in the community as well.

4) An Advisory Council should be formed for the coordination of programs established under this Act. Its membership should include:

The Assistant Secretary of Labor for Employment and Training
who would serve as Chairperson

The Asst Secs of HEW for Education and for Human Development
The Commissioner of Education

Asst Secs of Agriculture, Interior, Commerce, and HUD.

The Director of ACTION

The Administrator of the Community Services Administration

(And perhaps others; from Defense, The Federal Energy Agency, etc.)

The purpose of this recommendation is to draw upon the successful experience of programs of career education, voluntary service, work experience, etc. An early function of the Council would be to circulate among its members research and evaluation reports on programs of youth employment and training and to arrange for the members to visit these programs in small groups and to make recommendations to the Secretary in light of their findings.

5) The Secretary, with the Advice of the Council, should establish a clearing house of information on successful programs as a means of providing technical assistance (Secs 854 and 315) to eligible applicants and to project personnel for a) the design and carrying out of projects of community service employment, b) for the training of supervisory and educational personnel, c) for research and evaluation, and d) for the creation and administration of community based organizations that will have responsibility for

the development and oversight of programs established under the Act. The technical assistance offered to these community based organizations would include fiscal management as well as program design and organization. Other technical assistance should be designed to help eligible applicants and project personnel with the adoption of one or more of several proven program models or with experimental programs of local design that are comparable in scope to these models. The effect of requiring that locally designed projects be of comparable scope to proven models is that applicants and project personnel tend to examine these proven designs more carefully to see whether they, or some modification of them, might be applied locally.

6) In evaluating programs established under the Act (Secs 853 and 313a) the Secretary should:

- establish an Office of Inspector General to carry out short term performance evaluations
- initiate, upon enactment of this title, cost effectiveness studies of programs and projects now operating, and to be established under this title, so as to determine the cost per participant as compared to alternative programs of education, welfare, or custody; the benefits to participants in terms comparable to the benefits delivered by other publicly supported programs of secondary or post secondary education; and the benefits to the community in terms of services performed.

7) The Secretary should report to the Congress, one year after enactment of this title, on the cost effectiveness of programs established under this Act and submit recommendations as to

whether this title should be amended to delete the means test.

The report should include the following:

- whether sufficient targeting on the youth most in need of help can be obtained under the sections of the Act (Secs 813, 832, 838) which call for distribution of funds according to levels of income and numbers of youth unemployed.
- whether collaboration with local educational agencies can produce arrangements whereby state and local aid that is normally provided for the support of students in secondary school or community college will cover a significant part of the costs of education of participants in programs established under this title.
- whether the arbitrary cutoff of eligibility according to means creates significant administrative problems and whether program effectiveness is significantly increased by enrolling participants from a mix of economic backgrounds.

In order to make this analysis, the Secretary should be authorized, under the provisions for Innovative and Experimental Programs (Sec 838), to prescribe exceptions to the means tests.

8) The Secretary (as in Sec 818) should have authority under all parts of this title to prescribe exceptions to the 12 month limit to employment so as to permit youths who would clearly benefit from further participation to continue for not more than 12 additional months. Notwithstanding the importance of offering work responsibility to the greatest number of youths and of fostering early transition to primary sector employment, the optimum period of education and experience varies so greatly from person to person that greater flexibility is desirable. This seems

particularly true if the net cost of most of these programs is found to be no greater than for alternative programs of education, support, or custody.

9) In administering programs under this title, the Secretary should appoint a director who reports directly to the Assistant Secretary for Employment and Training. We recommend this for we fear that many of the young participants will be cheated and the public fail to get its money's worth if this 1½ billion dollar program is administered as business as usual by a dispirited bureaucracy. It need not be administered by a separate agency like the Peace Corps once was but it should be marked by the kind of vitality that will earn the respect of its participants. We believe that it needs a kind of autonomy within the Department of Labor and the freedom to work closely with other agencies at the national and local levels.

In sum, The Education Policy Committee views the Youth Employment and Training Act as an opportunity to create useful employment in ways that will do more than anything else to improve the education of those young people who, for a variety of reasons, have benefited least from their schooling. But, in addition, the Committee believes that the Act, if it can offer the opportunity for responsible community service to all American youths could, by the services they would perform, substantially improve the quality of life in depressed areas of this nation and, through the opportunity to take early responsibility for oneself and others, revive in some measure the qualities of self reliance and the respect for good work that were once thought to characterize American youth.

Education Policy Committee

Membership, as of February, 1977

- Charles Benton - President, Filac, Inc.
 Kenneth Clark - Eugene, State of New York
 Willard Clements - Professor of Education, New York University
 Don Davies - Director, Institute for Relevant Education, Boston University
 Cynthia Deutsch - Professor of Education, Institute for Developmental Studies,
 New York University
 Martin Deutsch - Professor of Education, New York University
 Mario Fantini - Dean, Graduate School of Education, University of Massachusetts
 Richard Graham - Former Director, Teacher Corps
 Maxine Greene - Professor of Education, Columbia Teacher's College
 David Horowitz - Former Assistant Supt., Philadelphia School System
 Vivian C. Jackson - Associate Editor, Social Policy Magazine
 Barbara Love - Professor of Education, University of Massachusetts
 Carl Marburger - Director, National Committee of Citizens for Public Education
 Joseph McDermott - Coordinator, Education Policy Committee
 Joseph Michaels - Editorialist, N.B.C.
 Frank Riessman - Editor, Social Policy Magazine
 Jack Robertson - Professor of Education, New York University
 Luther Seabrook - Former Supt., District 5, New York School System
 David Seeley - Director, Public Education Association
 Harvey Scribner - Former Chancellor, New York City School System
 Alice Sprow - Staff member, Education Development Center
 Gerald Sroufe - Professor of Education, Nova University

Studies that recommend greater opportunities for responsible work for youth:

- Youth Transition to Adulthood: The President's Science Advisory Committee, James Coleman, Chairman
- The Education of Adolescents: The National Panel on High Schools and Adolescent Education, John Henry Martin, Chairman
- The Reform of Secondary Education: B. Frank Brown, Chairman
- See also Youth Policy in Transition, a Rand Corporation publication prepared for the Department of Health, Education, and Welfare, Michael Timpane et al. for a comprehensive bibliography.

Studies that have assessed the numbers of youth work opportunities:

Senator NELSON. Thank you very much.

That will conclude the hearing on this legislation. The record will remain open for 1 week.

[The following was subsequently supplied for the record.]

STATEMENT ON YOUTH EMPLOYMENT LEGISLATION BY REP. DONALD W. DOLBEY (D-CAL.)
BEFORE THE SENATE SUBCOMMITTEE ON EMPLOYMENT, RIGHTS AND HUMAN RESOURCES

WASH., D.C.

Mr. Chairman, members of the subcommittee: I sincerely appreciate the opportunity to appear before you this morning, during your hearings on youth employment legislation.

I have been asked to speak on behalf of the Congressional Black Caucus as well as myself. We have participated with a number of very knowledgeable people over the last several months in evaluating proposed legislation and developing alternatives.

Parenthetically, I should note that in the last years history as Congressional service I was a consultant for a firm which developed youthwork programs on a national basis. I would like that the full material I presented to the committee for youth employment and national youth employment be included in the report.

The challenge of youth unemployment is probably one of the most difficult questions of economic policy we face today. It seems unprecedented to traditional economic policy. It does not have an ideological and politically sophisticated answer about whether the solution is in the structure. It is a source of frustration and disappointment. It is a social time bomb for the future, and not only an economic waste today.

I have noticed that the automatic presuppositions of the traditional American ideologies which have not survived with this specific problem. The liberals say, "integrate the economy to the traditional way, and supplement any difficult problems with targeted programs." For conservatives say, "revamp the structure and cut down on waste," meaning that make it easier to hire people.

When we look at the various methods and policies which have been proposed for both sides to work. In view of the magnitude of the problem, I think we must first, in response to the specific framework of the youth unemployment problem in order to devise policy, before this problem becomes.

Second, we need to be aware that the problem is really painful from both approaches.

Unfortunately, the current economic conditions are affecting the job openings program of the firm. It is my sincere hope that this will be an indication of the administration's proposal and identifying broader issues.

Almost all studies on the youth unemployment problem agree in their definition of the parameters of the problem. That is, the youth unemployment rate of youth is continuing to rise regardless of the national unemployment rate. Even with vigorous national economic growth, youth unemployment as a problem of crisis proportions will not simply be solved. The challenge of concern is the problem of minority and black youth. The unemployment level of black teenagers has risen steadily since 1961 from 15 per cent to 20 per cent. The unemployment rate of blacks 16 to 19 years old has risen every year since 1961 from 17 per cent to 23.2 per cent. The worst situation in the economy has almost unemployment for all groups except black youth.

The data shows that of all those who are now in school, the per cent looking for jobs who are unemployed is remarkably equal for whites and blacks and that the major difference is the margin to those blacks than whites who are employed (40 per cent to 22 per cent) and the statistically higher per cent of blacks not in the labor force (21 per cent to 53 per cent). Thus the real unemployment rate for black youth is considerably higher than indicated by BLS statistics. For both white and black dropouts the per cent employed is much lower than for high school graduates although both are out of school seeking full-time jobs. The difference among unemployed black and white dropouts is comparatively small (4 per cent), but 14 per cent more whites are employed than blacks, and 46 per cent of black youth in the dropout classifications are not in the labor force, (compared to 36 per cent of white youth). By examining the unemployed from this more realistic point of view, we find that the largest number requiring service are the dropouts--both black and white.

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Given the disparity between the characteristics of youth and the hiring standards of employers, large scale unemployment among inner city youth is likely to continue even if significant numbers of job vacancies become available--unless considerable changes are made in both the supply and demand sides of the labor market.

Reordering priorities in the development of a youth strategy requires the definition of the segments of the youth population who suffer particularly severe unemployment problems, and are, therefore, the most appropriate to be served. The emphasis has been on serving as many persons as possible rather than investing in high quality service for fewer persons. Training programs have tended to be for a maximum of 20 to 26 weeks, permitting youth to acquire only those skills that industry can easily train for itself. The employment and training programs have focused on preparing people for jobs in the secondary labor market that are often not superior to the jobs that they would have obtained without participating in the program.

For most youth, the history of CETA and its predecessors has been merely a holding action, "an aging vat". When increased earnings have been reported they largely reflect the increased age and maturity of the participants, rather than any increased value attained through training and services received.

Against the background of the failures of employment and training programs, proposed youth employment legislation foresees a major expansion of these same programs even though they have not improved the employability of youth in the past. Students are still likely to receive the highest priority and school dropouts are still likely to be underrepresented, although they are most in need of service. Young people are likely to receive little save a limited increase of income for their efforts.

Young people account for about one-half of all unemployed; therefore, the overall unemployment problem cannot be solved without substantially reducing the level of youth unemployment. In fact, relieving the disproportionate burden of joblessness borne by young workers generally, and by black youth particularly could be considered an economic recovery strategy in itself. At the very least it has to be regarded as a major focus of any economic recovery program. Since economic recovery alone has not improved youth unemployment rates over the past two decades for the 20 to 24 year olds or for teenagers, it is unlikely that either economic recovery or an expansion of existing programs by themselves is likely to solve the problem to any appreciable degree.

If real gains are to be made for those most in need of service, a major re-examination of the type that should be funded is essential. If substantial funds are to be invested, some of these funds must be invested to examine the whole problem of regularizing youth's transition from school to work, as well as an effort to design programs that will absorb the structurally unemployed into the mainstream of the labor force. Work experience programs have their place but more permanent solutions to address the root causes of youth unemployment must be developed. The Black Caucus is advocating alternative solutions designed to deal with the causes of youth unemployment problems and we are particularly concerned with their effect on those most severely injured by the present system--the black urban youth.

Two overall approaches are being suggested: one that deals with improvement of program content in approaches designed for youth, the other by exploring alternative economic solutions that are likely to be particularly beneficial to youth.

Subsidized employment opportunities should be sought for youth with both public and private employers in both large industry and in small businesses that offer valuable training opportunities. Placements should be selected in terms of the likelihood that youth will obtain training and/or experience that will permit them to attain permanent access to the primary labor force. On-the-job training, as appropriate, would be provided by the employer. Placements should be for a period of two years. Fifty per cent of the youth so placed should be 21 to 24 years of age, and 50 per cent under 21 years of age. Youth should be selected on the basis of their family income, race, and sex of the unemployed youth in the local political jurisdiction. For the first six months, the

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youth should be paid 80 per cent of the average entry wage paid persons in the occupation in the jurisdiction; 90 per cent for the second six months; and 100 per cent for the second year. During the first six months, 50 per cent of the wages should be contributed by the federal government; 45 per cent during the second six months; and 40 per cent during the second year.

A program of this nature combining selective public and private subsidized employment should be a major component of any youth employment legislation.

Although there have been task forces exploring the issue of transition from school to work, no research has been undertaken to deal seriously with long-range solutions to the issue of regularizing the transition of young people from school to work. Experimentation with new policies and programs must be undertaken so that a start can be made in developing models that will attack the roots of the problem. Federal funding should be large enough to attract state (and local) commitments of youth employment and training and vocational education funds of sufficient magnitude to test different systems. In order to assure that positive findings can be replicated, each effort should be carefully evaluated from the beginning to provide data on the usefulness of the tested model.

All public works bills should be amended to require the employment of one youth trainee for every five adult employees. Trainee wages should be pegged to a percentage of journeyman wages.

The Public Works Act should emphasize rehabilitation in the central cities to make them habitable and to decrease the continuing pressure on the low- and moderate-income housing market. This approach would be more labor intensive and would produce more jobs for inner city youth, as well as for construction workers, than the types of programs that are presently being funded, frequently to build non-essential public buildings.

An improved ES placement service emphasizing its role as a Labor Exchange would not only improve services to youth, but could also have an economic impact. If employers were required to list all jobs with the ES as a requirement of the Unemployment Compensation system, more jobs would be available for more referrals; this would also reduce unemployment and in turn would have its effect on the economy.

An Employment Tax Credit targeted on providing a tax credit to employers based on the employment of additional youth should be studied. Such a tax is expected to produce low-skilled blue-collar jobs, which should increase employment of black youth. This could be substituted for the investment tax credit currently in effect, which apparently works against increased employment of black youth.

A lower minimum wage for youth is often suggested as a means of increasing youth employment. A study by Bernard Anderson indicates that a youth wage below minimum wages would exacerbate the problems which characterize the employment of youth, such as high turnover rates. Also it has been predicted that a reduction of minimum wage for teenagers could create 200,000 jobs for youth, but could also simultaneously reduce adult employment by about 500,000, a very questionable price to pay. An alternative approach to reducing the cost of employing youth without reducing the take home pay of the working youth is needed.

One option to be explored is utilization of the Social Security system to encourage employers to hire youth. If employers were relieved of paying their share of the Social Security tax for youth, the youth would continue to receive income at the minimum wage level, but employing youth would become more attractive to employers. In effect, employers would be saving 5.8 per cent of the youth's salary. The funds in the Social Security system could be made up over the years, and in any case, if youth are not employed, no Social Security contribution would be made at all.

An in-depth study of Unemployment Compensation is long overdue. It is important to determine whether its present administration encourages youth to remain unemployed, particularly in its extended time coverage, and permits youth to refuse jobs because they are not "suitable" with no time limitation for a "cut-off."

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The possibility of using investment in subsidized youth employment programs as an economic stimulus program warrants further study. Much of the proposed tax reduction to adults and families will be allocated to debt reduction, whereas youth are likely to put any money they earn directly into the purchase of goods, thereby providing an immediate stimulus to the economy.

Whatever programs are instituted, the state and local CETA structure already in place should have the responsibility for any new youth programs. However, a new formula should be developed to allocate funds to jurisdictions where youth and their problems are concentrated. Such factors as incidence of poverty based on family income, low labor force participation rate, low employment rate and high unemployment rates, and youth population (as opposed to total population) should be included in any allocation formula.

Specifically regarding S.1242, I have the following comments. A specific list of recommendations is attached to my testimony. As a matter of policy, the preamble should include an understanding that:

- 1) Youth employment services are to be established in a manner consistent with laws that prohibit racial and sexual discrimination.
- 2) The bill should provide manpower services and training, not simply jobs. The goal here should be sufficient career exploration opportunities to lead to permanent career employment in the primary labor market.
- 3) It should be specially stated that the exceptionally high unemployment rates for black youth merits special attention and allocation of funds.
- 4) There should be a sense that programs to provide employment opportunities for youth shall include special efforts to reach women, particularly in programs such as conservation corps which have traditionally reached largely male groups.

Regarding part A of this bill, I must strongly emphasize that I have great concern about this section despite a recognition of the political realities which will likely result in its enactment. As to part A, I have the following comments:

- 1) The 16 to 22 age group should be the target.
- 2) Education, training and employability should be written in. Education credit section should be strengthened to include more education and career counseling activities through seminars and other special sessions. (note: language to this effect was removed prior to introduction of the bill).
- 3) Seventy-five per cent of the funds under this section should go to state and local parks to get closer to urban areas.

Regarding part B, I would recommend:

- 1) That the bill target 16 to 22 age group.
- 2) That income be targeted to those from households not exceeding 70 per cent of the lower living standard income level.
- 3) That education, training and employability should be written in.
- 4) That the CETA delivery system, be retained in the bill, but make explicit provision for sub-contracting to community-based organizations.
- 5) That the countercyclical component of the bill should be limited to this section.
- 6) That funds to be used for employment over equipment; tie this program to other federal programs which provide for equipment (e.g. HUD, EDA).

In regard to part C, I believe that:

- 1) We should target 16 to 22 age group, but also include 14 to 16 year-olds where there is a school-to-work transition program.

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- 2) Include income targeting to those from households earning under 70 per cent of the lower living standard income level.
- 3) Write education, training and employability into all sections of the bill.
- 4) Target geographical areas having large numbers of low-income unemployed youth.
- 5) We should retain 50 per cent of the allocation as discretionary money. Remove targeting requirements from this section. Innovative programs should be selected to emphasize service to youth in low-income areas.
- 6) We must stress community-based organizations in funding (through CETA mechanism) for the formula grants.
- 7) We should pay stipends rather than wages under the formula grants of part C.
- 8) States should be encouraged and should encourage their prime sponsors to undertake innovative programs based on the available data, utilizing the formula grant funds.
- 9) A component providing technical assistance to sponsors for program and operation should be written into the bill, particularly for the formula grant funds.
- 10) We should retain the CETA delivery system, but make explicit provisions for subcontracting to community-based organizations.
- 11) We should consider a modified apprenticeship concept, with two-year training.
- 12) An anti-discrimination mechanism should be written into the unrestricted funds program of part C so that detailed data will be gathered to determine the success of innovative programs. Results of the evaluation should be disseminated. This should be the Secretary's responsibility.

Finally I have some comments on the subject of the administration of the bill.

- 1) An office of Inspector General should be established similar to that under the Office of Economic Opportunity.
- 2) We should create a youth section the Manpower Administration; a separate office for youth employment should be established within the Labor Department, with responsibility for all youth programs including summer youth programs and job corps which should be coordinated with those operating within CETA Titles I, II, and VIII to avoid duplication of services. At the same time as new youth programs are established, evaluation of the suitability of existing programs for youth should be made.
- 3) A clearinghouse should be established to gather and disseminate information not only on placement, but on all youth employment-related activities. The Department should be responsible for disseminating data on innovative programs.
- 4) An interagency advisory council including all federal agencies and national community agencies should be established to coordinate interest organizations and leverage all other federal funds.
- 5) The Wagner-Peyser Act should be totally re-examined in the future.
- 6) In the development of the regulations, the Department of Labor should include outside groups such as national community organizations and public interest organizations to help develop the regulations.

Thank you Mr. Chairman.

Youth Unemployment: Analysis and Proposal

Almost all studies of the youth unemployment problem concur in their definition of the parameters of the problem. Stated simply, the unemployment rate of youth is continuing to rise regardless of the national unemployment rate. Even with vigorous national economic growth, youth unemployment as a problem of crisis proportions will not simply "go away." Basically, this paper summarizes prior analyses from a variety of recent papers and then presents alternatives for consideration in new legislation seeking to respond to the youth employment problem.

A. The "Unemployment" Rate of Youth

The unemployment level of Black teenagers has risen steadily since 1955 from 15.8% to 36.9%. 1/ The unemployment rate of Black 20 to 24 year olds has risen every year since 1965 from 10.8% to 23.2%. 2/ The recent upturn in the economy has reduced unemployment for all groups except Black youth.

Although data on the unemployment rate for youth have been given the major attention, the most critical differences in the employment status of White and Black youth is the difference in their Labor Force Participation (LFP) rates. Although adult Black men (25-64) have a labor force participation rate similar to White men, and adult Black women (25-64) have a higher labor force participation rate than White women, the labor force participation rate for Blacks, in the age categories 16-17, 18-19, and 20 to 24, is markedly less than Whites for the same age, sex, and educational status. Additionally, the LFP rate of Black male youth has dropped consistently for each age group since 1960, regardless of educational status, age, or the economic climate

1/ Employment and Training Report of the President, Department of Labor, 1976.

2/ Ibid.

of the society. There are only two possible reasons for this difference by race. The first is that those Blacks who are now not in the labor force have been unable to find work, and therefore, have withdrawn from the labor force by ceasing to seek employment; the second is that many Black youth have never entered the labor force at all. Thus these youth are not counted as unemployed by the Department of Labor. The unemployment rate as determined by the Department of Labor is based on the number of persons who are unemployed as a percentage of the labor force participants. Thus by not seeking employment they reduce the unemployment rate twice, once by not being counted as unemployed and once by not being counted in the LFP rate. The Labor Force Participation Rate includes those who are employed plus those who have actually looked for a job during the past week (the unemployed). Thus, all those persons who are unemployed, but have stopped looking because they believe no jobs exist for them are not unemployed. In effect, then, the reported unemployment rate, (high as it is) is based on an artificial definition that obscures the seriousness of the problem.

An alternative, and more revealing way of examining the data is to look at the percent of all youth out of school who are employed, unemployed, and not in the labor force in terms of three different classifications of youth--In-School; High School Graduates; Dropouts. In this method we are not viewing the unemployed as a percent of those in the labor force, but rather as a percent of all persons in the classification, and can compare the percentage not in the labor force across the races and educational classifications. (See Table 1.)

Employment by Race, by Educational Status in 1975

	Employed	Unem- ployed	Not in Labor Force	Total
<u>Enrolled in School (A)</u>				
White	40.1%	6.5%	53.4%	100.0%
Black	21.7%	7.1%	71.3%	100.0%
<u>Not Enrolled in School</u>				
<u>High School Graduates (B)</u>				
White	74.4%	9.4%	16.2%	100.0%
Black	60.6%	17.3%	22.0%	100.0%
<u>Dropouts (C)</u>				
White	49.2%	14.5%	36.4%	100.0%
Black	35.2%	19.2%	45.6%	100.0%

(A) In-School 1/

Young people in-school are seeking part-time or summer employment; by and large their motivation in job-seeking is income rather than career motivation. (This group represents 24% of all White youth and 33% of all Black youth who are unemployed or likely to desire employment.)

(B) High School Graduates--Out of School 2/

Those who are high school graduates or have had some college are likely to meet employers minimal expectation; some have specific skills to offer employers. By and large, they are seeking full-time jobs as a first step on a career ladder (34% of all White youth and 30% of all Black youth who are unemployed or likely to desire employment fall in this classification).

(C) Dropouts--Out of School 3/

Dropouts are the youth who have the most difficulty achieving entry into the labor force, and have the least to offer employers. These youth are most likely to be among the structurally unemployed and are likely to remain in that group throughout their lifetime, yet they also are seeking full-time jobs, and, no less than the high school graduates, are interested in gaining access to rewarding lifetime careers (this group represents 42% of all White youth and 37% of all Black youth who are unemployed or likely to desire employment).

1/ See Tables 1 and 3.

2/ See Tables 1 and 3.

3/ See Tables 1 and 3.

Thus, we are able to see from Table 1 that of all those in-school the percent looking for jobs who are unemployed is reasonably equal for Whites and Blacks and that the major difference is the markedly fewer Blacks than Whites who are employed (40% to 22%) and the substantially higher percent of Blacks not in the labor force (71% to 53%). For both White and Black Dropouts the percent employed is much lower than for High School Graduates although both are out of school seeking full-time jobs. The difference among unemployed Black and White dropouts is comparatively small (4%), but 14% more Whites are employed than Blacks, and 46% of Black youth in the dropout classifications are not in the labor force, (compared to 36% of White youth). By examining the unemployed from this more realistic point of view, we find that the largest number requiring service are the dropouts--both Black and White.

Table 2

Supply and Demand Equation of the Labor Market

SUPPLY	DEMAND
Characteristics of Youth	Characteristics of Labor Market
• Live in inner city neighborhoods; have difficulty (frequently impossibility) in reaching suburban jobs. • Cannot meet requirements for white-collar jobs; frequently do not want menial service jobs. • Have low reading and math achievement levels; lack experience. • Lack of knowledge of labor market and tend to pursue entry-entry pattern; youth accept jobs that they do not want, and therefore, have high absenteeism, tardiness, and quit rates. • Have unrealistic wage expectations.	• Major shift of jobs, especially skilled and semi-skilled blue-collar jobs, from urban to suburban areas and from North to South. • Remaining jobs in the cities increasingly white-collar, and lower level service jobs. • Preference of employers for more education, skills, and experience; and preference for employing White men 25-44 years of age. • Employers want employees who will provide stable work force. • Employers want employees whose productivity warrants wage rates paid.

As Table 2 demonstrates, given the disparity between the characteristics of youth, and the hiring standards of employers, large scale unemployment among inner city youth is likely to continue even if significant numbers of job vacancies become available unless considerable changes are made in both the supply and demand sides of the labor market.

Reordering priorities in the development of a youth strategy requires the definition of the segments of the youth population who suffer particularly severe unemployment problems, and are, therefore, the most appropriate

numbers served, than the quality of placements; and therefore, the emphasis has been on serving as many persons as possible rather than investing in high quality service for fewer persons. Training programs have tended to be for a maximum of 20-26 weeks, permitting youth to acquire only those skills that industry can easily train for itself. The employment and training programs have focused on preparing people for jobs in the secondary labor market that are often not superior to the jobs that they would have obtained without participating in the program.

For most youth, the history of CETA and its predecessors has been merely a holding action, "an aging vat." When increased earnings have been reported they largely reflect the increased age and maturity of the participants, rather than any increased value attained through training and services received.

A brief review of the various programs illuminates their limitations:

Work Experience Programs including the Summer Youth Programs

This is the largest type of employment and training program for youth, and it focuses primarily on students. Essentially these programs, whether during the summer or year-round, are designed to put income into enrollees pockets rather than upgrading their employability.

Institutional and On-the-Job Training Programs

Gains in earning levels are obtained through increased labor force participation, (i.e., youth work more hours per week for more weeks), rather than higher earnings. OJT trainees record more gains than institutional training, at half the program cost. Length of training is rarely adequate to obtain access to skilled employment.

Public Service Employment

On-the-job training programs in the public sector are not usually available to youth.

Job Corps

The Job Corps program focuses on dropouts with the most severe employment problems. On the basis of Job Corps experience, total remediation is expensive, (\$9,000 - \$10,000 per person year), and useful for only a small number of youth who are willing and able to benefit. Follow-up placement services are essential if the participants are to record any real gains. Most importantly, no definitive and replicable "treatment" model has emerged.

Job Opportunities in the Business Sector (JOBS)

The cost has been typically around \$3,000, but these funds have included the costs of hiring, training, and supportive services. The long-run effect on disadvantaged youth has been minimal. Employers received subsidies for hiring individuals similar to those they normally employed, and often they provided only few extra services.

Vocational Education

A comparatively small amount of federal, state, and local funds, combined, are allocated to providing service to the disadvantaged. The best programs are offered in Technical Institutes which limit their intake to those with high academic achievement. The variety of courses are limited at the high school level, and states and local communities are placing greater emphasis on the provision of skill training at the postsecondary level. All of these operate to the disadvantage of Black inner city youth.

State Employment Services (ES)

In 1973, only about one-third of all youth seeking employment made use of the Employment Service in their job search; and less than 6% used it as their most frequent source. Of those using the ES, approximately 14% actually found their last job through the ES. Placements were usually in secondary labor market jobs that youth might have obtained on their own.

D. Recommendations

Against the background of the failures of employment and training programs, proposed youth employment legislation foresees a major expansion

of these same programs that have not improved the employability of youth in the past. Students are still likely to receive the highest priority, and school dropouts are still likely to be underrepresented, although they are most in need of service; and youth are likely to receive little save a limited increase of income for their efforts.

Youth account for about one-half of all unemployed; therefore, the overall unemployment problem cannot be solved without substantially reducing the level of youth unemployment. In fact, relieving the disproportionate burden of joblessness borne by young workers generally, and by Black youth particularly, could be considered an economic recovery strategy in itself. At the very least, it has to be regarded as a major focus of any economic recovery program. Since economic recovery alone has not improved youth unemployment rates over the past two decades for those 20-24 year olds or for teenagers, it is unlikely that either economic recovery or an expansion of existing programs alone is likely to solve the problem to any appreciable degree.

If real gains are to be made for those most in need of service, a major re-examination of the type of service that should be funded is essential. If major funds are to be invested, some of these funds must be invested to examine the whole problem of regularizing youth's transition from school to work, as well as an effort to design programs that will absorb the structurally unemployed into the mainstream of the labor force. Work experience programs have their purpose, but more permanent solutions addressing the root causes of youth unemployment must be developed. The Black Caucus

is considering alternative solutions designed to deal with the causes of youth employment problems and is particularly concerned with their affect on those most severely injured by the present system--the Black urban youth.

Two overall approaches are being considered--one that deals with improvement of program content in approaches designed for youth, the other by exploring alternative economic solutions that are likely to be particularly beneficial to youth. Since these are alternatives, it is not proposed that all alternatives be available to all youth.

1. Program Content Issues

Subsidized Employment

Subsidized employment opportunities should be sought for youth with both public and private employers in both large industry and in small businesses that offer valuable training opportunities. Placements should be selected in terms of the likelihood that youth will obtain training and/or experience that will permit them to attain permanent access to the primary labor force. On-the-job training, as appropriate, would be provided by the employer. Placements should be for a period of two years. Fifty percent of the youth so placed should be 21-24 years of age, and 50% under 21 years of age. Youth should be selected on the basis of their family income, race, and sex of the unemployed youth in the local political jurisdiction. For the first six months, the youth should be paid 80% of the average entry wage paid persons in the occupation in the jurisdiction; 90% for the second six months; and 100% for the second year. During the first six months, 50% of the wages should be contributed by the federal government; 45% during the second six months; and 40% during the second year. (We

can expect an average entry wage of \$8,000 per year; this would require a government contribution of \$3,20 per year for two years. The employer's share of the salary would average \$3,600 for the first year, and \$4,800 for the second year. (The assumption is that the employee would increase his/her value to the employer as s/he gained skills and experience.) The trainee would earn \$6,400 the first six months, \$7,200 the second six months, and \$8,000 the second year. Five hundred dollars per trainee should be provided to the local or state CETA for services to the trainees. One billion dollars would provide approximately 270,000 slots per year. A program of this nature combining selective public and private subsidized employment should be a major component of any youth legislation.

Transition from School to Work

Although there have been task forces exploring the issue of transition from school to work, no research has been undertaken to deal seriously with long-range solutions to the issue of regularizing the transition of young people from school to work. Experimentation with new policies and programs must be undertaken so that a start can be made in developing models that will attack the roots of the problem. Federal funding should be large enough to attract state (and local) commitments of youth employment and training and vocational education funds of sufficient magnitude to test different systems. In order to assure that positive findings can be replicated, each effort should be carefully evaluated from the beginning to provide data on the usefulness of each tested model.

Public Works

All public works bills should be amended to require the employment of one youth trainee for every five adult employees (trainees to be allocated

50% to those 21-24 years of age, and 50% to those 18-21 years of age).
 Trainee wages should be pegged to a percentage of journeyman wages.

The Public Works Act should emphasize rehabilitation in the central cities to make them habitable and to decrease the continuing pressure on the low- and moderate-income housing market. This approach would be more labor intensive and would produce more jobs for inner city youth, as well as for construction workers, than the types of programs that are presently being funded, frequently to build non-essential public buildings.

State Employment Service (ES)

An improved ES placement service emphasizing its role as a Labor Exchange would not only improve services to youth, but could also have an economic impact. Paucity of data makes it difficult to determine by how much unemployment could be reduced, if openings listed with ES were rapidly filled, but the difference should be considerable. If employers were required to list all jobs with the ES as a requirement of the Unemployment Compensation system, more jobs would be available for more referrals; this would also reduce unemployment and in turn would have its effect on the economy.

2. Programs Affecting the Economy

Employment Tax Credit

An Employment Tax Credit targeted on providing a tax credit to employers based on the employment of additional youth should be studied. Such a tax is expected to produce low-skilled blue-collar jobs, which should increase employment of Black youth. This could be substituted for the investment tax credit currently in effect, which apparently works against increased employment of Black youth. ^{1/}

^{1/} E. R. Berndt, J. R. Kesselman, and S.W. Williamson, Tax Credits for Employment Rather than Investment, Institute for Research on Poverty,

Social Security and the Minimum Wage

A lower minimum wage for youth is often suggested as a means of increasing youth employment. Bernard Anderson's study indicates that a youth wage below minimum wages would exacerbate the problems which characterize the employment of youth, such as high turnover rates. Also it has been predicted that a reduction of minimum wage for teenagers could create 800,000 jobs for youth, but could also simultaneously reduce adult employment by about 500,000, a very questionable price to pay. An alternative approach to reducing the cost of employing youth without reducing the take home pay of the working youth is needed.

One option to be explored is utilization of the social security system to encourage employers to hire youth. If employers were relieved of paying their share of the Social Security tax for youth, the youth would continue to receive income at the minimum wage level, but employing youth would become more attractive to employers. In effect, employers would be saving 5.8% of the youth's salary. The funds in the Social Security system could be made up over the years, and in any case, if youth are not employed, no social security contribution would be made at all.

Unemployment Compensation

An in-depth study of Unemployment Compensation is long overdue. It is important to determine whether its present administration encourages youth to remain unemployed, particularly in its extended time coverage, and permits youth to refuse jobs because they are not "suitable" with no time limitation for a "cut-off."

Research in Subsidized Youth Employment

The impact of investment in subsidized youth employment programs as an immediate economic stimulus warrants further study. Much of the proposed tax reduction to adults and families will be allocated to debt reduction, whereas youth are likely to put any money they earn directly into the purchase of goods, thereby providing an immediate stimulus to the economy.

Agency Structure and Allocation Formula

Whatever programs are instituted, the state and local CETA structure already in place should have the responsibility for any new youth programs. However, a new formula should be developed to allocate funds to jurisdictions where youth and their problems are concentrated. Such factors as incidence of poverty based on family income, low labor force participation rate, low employment rate and high unemployment rates, and youth population (as opposed to total population) should be included in any allocation formula.

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Table 3
Summary of Paper

Black Youth	Actual Unem- ployment Rate*	Type of Unemployment**	Type of Programs Presently Offered ***	Possible New Programs****
<u>In-School</u> <u>TYPE A</u>	32.8%	Frictional	CETA - Work experience Summer Program Vocational educa- tion	Transition from school to work. Improved ES ser- vices.
<u>Out of School</u> <u>TYPE B</u> High School Graduates and above	30.3%	Cyclical	On-the-job training JOBS Institutional Training Work Experience	Subsidized public and private em- ployment Public Works Act Improved ES ser- vices.
<u>TYPE C</u> Dropouts	36.9%	Structural	Job Corps Work Experience	

* White Labor Force Participation rate minus Black Labor Force Participation rate plus reported unemployment rates equals actual unemployment rate.

** Each group falls typically, but not exclusively, in these categories.

*** The limitations of these programs are described in the section--Assessment of Current Programs.

**** Programs affecting the economy would impact all groups.

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Subcommittee on Employment,
Poverty and Migratory Labor
of the
Senate Committee on Human Resources

statement by
Leon Shull
National Director, Americans for Democratic Action
on the
Youth Employment and Training Act of 1977

SUMMARY OF AMERICANS FOR DEMOCRATIC ACTION POSITION
ON THE
COMPREHENSIVE YOUTH EMPLOYMENT ACT OF 1977

1. ADA urges raising the level of funding to \$2.5 billion in FY78.
2. ADA urges the adoption of a maintenance of effort provision for youth within existing CETA Titles.
3. ADA urges targeting the limited resources to those most in need. Suggests changing the eligibility requirements for enrollees under Part A to those from families at or below 150% of the BLS lower living standard budget.
4. ADA supports an amendment disregarding an enrollee's earnings in determining the eligibility of other family members for other federal programs.
5. ADA urges the adoption of language to ensure full participation of young women in the program.
6. ADA supports the formula under Part C which makes 50% of the funds available to the Secretary of Labor for the establishment of innovative and experimental programs.
7. ADA supports the strong labor standards contained in Part D.
8. ADA urges that more emphasis be placed on educational and training programs and programs open to in-school youth.
9. ADA urges Members to work for the adoption of more comprehensive legislation when the CETA system expires next year.

TESTIMONY OF LEON SHULL

Mr. Chairman, Members of the Subcommittee. I am pleased to have this opportunity to present ADA's views on the Youth Employment and Training Act of 1977. The legislation proposed by the Administration and introduced by the Chairman of the Committee presents a major step toward dealing with a situation that has reached crisis proportions. While we are generally supportive of the initiative, we believe that the bill should be amended to: (1) ensure that a majority of youth desiring and needing jobs have ready access to employment possibilities; (2) provide comprehensive and realistic job training and placement for participants in the program; (3) target many of the programs to low and moderate income youth and; (4) provide sufficient appropriations to promote the development of new, creative and effective solutions to the youth employment problem.

Many have already testified before you as to the nature of the youth employment problem. There has been general acceptance from Democrats and Republicans, liberals and conservatives alike that much of the problem is a structural one involving the kinds of unemployment problems that will benefit little from "normal" recovery of the economy. If young people are to have access to, training for and success in employment, special efforts--such as a new CETA Title solely concerned with training and jobs for youth will be necessary.

However, have you really listened to these witnesses as they have described the magnitude of the situation? Well over 3.4 million young Americans (aged 16-24) are officially out of work. Yet the Administration's request for only \$1.5 billion over 18 months will reach just some 200,000 of them. Are you prepared to tell 15 of every 16 currently unemployed youths that their society can offer them no hope?

Just this month, newspaper articles appeared describing the plight of thousands of needy youngsters who waited at community employment centers in New York City over night in near freezing weather to register for CETA Title III summer jobs. At site after site there were many times the number of applicants as there were slots. Registration at the Coney Island Neighborhood Youth Corps Center had to be called off at 7:00 am when 2,500 young people were lined up for 691 jobs. Remarked Marion Kennedy, the Center Director, "I foresaw a situation wherein we would have to call the police and I decided I would not be responsible for pitting brother against brother, sister against sister, and neighbor against neighbor in competition for \$46.75 a week, so I called it off. It may mean my job, but I feel it would be worth that to keep things cool in this community."

Is there any doubt in your minds that our youth not only need jobs but desperately want them?

ADA urges you to raise the level of funding. We believe that the \$2.5 billion which was authorized by the full Senate Human Resources Committee in the FY78 budget report is a much more appropriate figure than that requested by the Administration.

In addition, we urge you to adopt a maintenance of effort provision to ensure that prime sponsors do not diminish their level of services to youth under existing CETA Titles. For example, if 60% of current Title I enrollees are under age 22, then at least 60% of FY78 Title I enrollees should be under age 22. Increases in the level of appropriations for any of the CETA Titles either solely involving youth or partially involving youth should not be used as an escape for substitution, for expanding programs to include other than youth or to ignore or weaken whatever income and/or age targetting exists in the existing Titles.

ADA has long been an advocate of full employment legislation to guarantee every American the right to a job. We believe that a person derives more from a job than just income -- he/she derives economic security, some freedom of choice in his/her spending decisions and greater access to and fuller participation in the economic, political, and judicial systems of this country. A young person who holds a job gains important work experience, training, and a sense of self-worth at an especially crucial stage of personal development.

However, when resources are limited and not every American can be served by a program, we believe that those who need the help the most should be served first. In terms of youth employment, this means targeting the funds to the most disadvantaged of our youths -- youths from low income families, inner-city minority youths (whose rate of unemployment is hitting at depression levels of well over 40%), rural youth who often have severely limited access to employment possibilities, youths with dependents, handicapped youths, non-English speaking youths, juvenile offenders.

As it is currently written, all young Americans would be eligible for Part A, the National Young Adult Conservation Conservation Corps, regardless of economic status. Agriculture Department studies of the current summer program indicate that participants are most likely to be white youths from middle and upper middle income families. We suggest that the eligibility requirements for enrollees under Part A be changed so that the program is targeted to disadvantaged and other needy unemployed youth. 150% of the BLS lower living standard budget might be used as a realistic income criterion.

In addition, we would support an amendment to Section D (proposed by the National Association of Counties and similar to Section 717 of HR 6044) stating that "earnings received by any youth under this title shall be disregarded in determining the eligibility for any other immediate family member who resides in the same household for the amount of any benefits based on need under any federal or federally assisted program." The underlying philosophy of a policy that penalizes family members solely because one member is employed is abhorrent--pitting the poor, the near poor and the working poor against each other.

We believe special efforts must be made under this and other Parts to ensure that unemployed women, many of who have dependents and are side wage earners, are encouraged to participate. Last week Secretary Ray Marshall and Assistant Secretary Ernest Green testified that only 25% of Job Corps enrollees are women. The female participation rate in past programs leads us to believe that specific affirmative action language is necessary, and that prime sponsors are strongly advised to develop programs that employ women. Many of the Job Corps programs and jobs available through the YCC involve industries and businesses that have long-standing bad track records in the employment of female workers. Any changes or additions to youth employment programs must insure full consideration of the special employment problems of young women.

We support the targeting provisions in Section C, the Comprehensive Youth Employment and Training Programs. Moreover, we are hopeful that the half of those funds which are at the Secretary's discretion to establish innovative and experimental programs for dealing with the unemployment problems of youth will offer us models upon which to base future manpower policy. There is much to be learned as to which approaches are right for which segments of the youth population and we believe the Secretary is best equipped to run such programs without needless duplication of effort. We hope that in this and other parts of the bill, the Department of Labor and prime sponsors will give special consideration to applications submitted by non-profit community based organizations who have demonstrated their ability to effectively operate job and job-related programs.

We are especially pleased to see that a separate wage system for youth is not contemplated in this legislation. A 1975 study for the Labor Dept. indicates that making youth the source of cheap manpower would lead not to the creation of new jobs but to the displacement of adult workers from existing jobs. Moreover, economist Barnard Anderson of the Wharton School of the University of Pennsylvania, has warned that a lower minimum wage would exacerbate the problems (including high quit rates) which characterize the secondary labor markets in inner cities. We support Section 851 of Part D General Provisions and oppose any efforts that would result in the displacement of those already in the workforce.

The absence of a strong educational component and programs for in-school youth is a serious weakness in the bill. Many of our youth who are failing in or being failed by our educational institutions need a variety of support services ranging from remedial reading to vocational training to counseling. Awarding participants academic credit alone (as is provided for in Section 839 and 852 of the bill) does not prepare them adequately for the world of work. A comprehensive youth employment policy must include expanded vocational education, job and career counseling, internship and other early work experience possibilities and a whole range of other support services to allow those in school to make realistic work choices and to equip themselves with intellectual and technical skills.

In addition, the types of jobs to be funded should involve work that is useful to the community, productive for the employed and which will equip the individual with a marketable skill. Members of the House Employment Opportunities Subcommittee heard the views of young people themselves on this subject at a March 25th hearing in New York City. The young people, many of whom were drop outs, juvenile offenders, and gang leaders, attested to their desire for programs which offer real jobs--not "make work"--and the chance to learn skills and finish their education. Planting trees in national forests may teach an individual how to show up for work on time, but it does not provide him/her with the skills required for the kinds of jobs available in urban areas. The opportunity to hold a job for 12 or 18 months does little to improve the individual's chances for future employment unless it is coupled with training and skills development.

In conclusion, let me stress that while this legislation represents a significant beginning, it will not take the place of the comprehensive long range program which must be developed when CETA expires. There are millions of young Americans who want and need the chance to make a contribution to their society. Unfortunately many of them will have to wait for at least another year for that chance.

TESTIMONY OF KEVIN O'SULLIVAN,
EXECUTIVE DIRECTOR, AMERICAN SOCIETY
FOR TRAINING AND DEVELOPMENT, INC.
SUBMITTED TO THE SENATE SUBCOMMITTEE
ON EMPLOYMENT, POVERTY AND
MIGRATORY LABOR

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

THE AMERICAN SOCIETY FOR TRAINING AND DEVELOPMENT CONSISTS OF NEARLY 13,000 HUMAN RESOURCE DEVELOPMENT PROFESSIONALS NATIONWIDE WHO ARE RESPONSIBLE FOR EDUCATION, TRAINING AND CAREER DEVELOPMENT PROGRAMS IN PRIVATE INDUSTRY AND THE PUBLIC SECTOR.

WE LAUD THE COOPERATIVE SPIRIT IN WHICH THE CONGRESS AND THE ADMINISTRATION HAVE WORKED TO DEVELOP THE YOUTH EMPLOYMENT AND TRAINING ACT (S. 1242) NOW UNDER CONSIDERATION. THE PROBLEMS ENCOUNTERED BY YOUTH IN MAKING THE TRANSITION FROM SCHOOL TO THE WORKPLACE ARE REAL AND WILL NOT GO AWAY BY THEMSELVES -- ESPECIALLY IN THE CASE OF THE DISADVANTAGED. WE ARE PLEASED THAT OUR NATION'S POLICY MAKERS HAVE DECIDED TO ACT AND ACT NOW.

BUT WE BELIEVE THAT DESPITE RHETORIC TO THE CONTRARY, THE BILL AS CURRENTLY DRAFTED WILL CONTINUE TO FOSTER A DAMAGING DICHOTOMY BETWEEN THE WORLDS OF EDUCATION AND WORK. WE FEAR THAT WHEN OUR YOUNG PEOPLE HAVE PARTICIPATED IN GOOD FAITH IN THE COMMUNITY SERVICE/CONSERVATION JOB PROGRAMS OF THIS BILL, THEY STILL WILL NOT BE READY TO ENTER THE REAL WORLD OF WORK AS WE KNOW IT, THE WORLD OF WORK IN WHICH ROUGHLY TWO-THIRDS OF THE JOBS ARE IN THE PRIVATE SECTOR.

WE EARNESTLY URGE YOU TO DRAFT AND REPORT A BILL THAT INCLUDES PROVISIONS TO ENCOURAGE PRIVATE SECTOR INVOLVEMENT IN ANY NATIONAL ATTACK ON THE EMPLOYMENT PROBLEMS OF YOUTH. FURTHER, WE URGE YOU TO SEIZE THE OPPORTUNITY TO STRENGTHEN EXISTING LINKAGES BETWEEN THE WORLDS OF EDUCATION AND WORK AS WELL AS FORGE SOME NEW ONES.

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AS THE VARIOUS YOUTH EMPLOYMENT AND TRAINING PROPOSALS WERE ADVANCED IN THE SENATE EARLIER THIS SESSION -- AND AS WE CONSIDERED SOME OF THE STATEMENTS EMANATING FROM THE ADMINISTRATION -- WE OF ASD WERE HEARTENED BY A TREND OF SEEKING RECOGNITION THAT THE PRIVATE SECTOR OUGHT TO BE INVOLVED. WE WERE DISAPPOINTED THAT THE ADMINISTRATION'S PROPOSALS ALL BUT TOTALLY ELIMINATED SUCH INVOLVEMENT. WE URGE YOU NOW TO RESTORE THIS ORIGINAL DIRECTION.

SOMETHING ALONG THE LINES OF THE "YOUTH OPPORTUNITY IN PRIVATE ENTERPRISE PROGRAM" PROPOSED BY SENATORS HUBERT HUMPHREY AND JACOB JAVITS IN S. 170 WOULD BE MOST DESIRABLE. BUT AT THE VERY LEAST, YOUTH EMPLOYMENT AND TRAINING LEGISLATION SHOULD INCLUDE A BROAD EXPERIMENTAL PROGRAM TO EXPLORE VARIOUS MEANS OF CREATIVELY USING THE PRIVATE SECTOR FOR HELPING TO PREPARE YOUTH -- PARTICULARLY THE DISADVANTAGED -- FOR JOBS WITH A FUTURE.

WHY NOT EXPERIMENT WITH TRAINING VOUCHERS REDEEMABLE IN TWO PAYMENTS, ONE FOR COMPLETED TRAINING AND THE LARGER FOR RELATED JOB PLACEMENT OF SIX MONTHS DURATION AS SENATOR JAMES McCURE AND OTHERS HAVE PROPOSED? WHY NOT EXPERIMENT WITH REIMBURSEMENTS TO EMPLOYERS FOR AN ON-THE-JOB-TRAINING PERIOD WHEN THE YOUNG EMPLOYEE IS NOT FULLY PRODUCTIVE? WE ASSURE YOU THAT IF LOCAL PRIME SPONSORS DESIGNED THEIR YOUTH PROGRAMS WITH THE ACTIVE INVOLVEMENT OF LOCAL EMPLOYERS COMMITTED TO USING THEIR PROVEN PERFORMANCE-ORIENTED TRAINING SYSTEMS, THE LONG-TERM RESULT WILL BE FAR MORE COST-EFFECTIVE TO THE GOVERNMENT AND FAR, FAR MORE BENEFICIAL TO THE YOUNG PEOPLES' EMPLOYMENT DEVELOPMENT THAN 18 MONTHS OF "MAKEWORK" PROGRAMS.

WHILE WE'RE TALKING HERE ABOUT WHO SHOULD BE INVOLVED, WE WANT TO MAKE A CASE FOR THE YOUTH IN SCHOOLS. THE CAREER EDUCATION MOVEMENT HAS HELPED, CERTAINLY, IN INCREASING PUBLIC AWARENESS OF THE INTER-RELATIONSHIPS BETWEEN THE EDUCATION PROCESS, EMPLOYABILITY AND EMPLOYMENT WITH CURRICULUM DEVELOPMENT EFFORTS, MODEL INSTALLATIONS, AND INITIAL IMPLEMENTATION ACROSS THE NATION. BUT MUCH MORE NEEDS

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TO BE DONE. WE ARE DISMAYED THAT EVEN AS THE CONGRESS MOVES TOWARD ENACTMENT OF LEGISLATION (H.R. 7) TO GIVE CAREER EDUCATION A NECESSARY BOOST, THE MANPOWER BILL YOU ARE CONSIDERING TO SERVE THE EMPLOYMENT AND TRAINING NEEDS OF YOUTH IS BEING WRITTEN IN SUCH A WAY AS TO ONLY PROMOTE OLD EDUCATION/WORK DIVISIONS. AS IN THE CASE OF EMPLOYER COOPERATION, THE MANDATE AND MECHANISMS FOR THE INVOLVEMENT OF EDUCATORS MUST BE INCLUDED IN THIS BILL FOR A TRULY COMPREHENSIVE APPROACH TO THE MULTIFACETED PROBLEMS OF YOUTH UNEMPLOYMENT.

WE SHARE THE CONCERNS VOICED BY SENATORS JAVITS AND HUMPHREY ABOUT THE LACK OF A SUITABLE IN-SCHOOL COMPONENT IN S. 1242 AND HEARTILY BACK THEIR EFFORTS TO HAVE IT INCLUDED. WE BELIEVE THEIR EFFORT TO INCLUDE SUPPORT FOR THE NATIONAL OCCUPATIONAL INFORMATION COORDINATING COMMITTEE ESTABLISHED UNDER THE RECENT EDUCATION AMENDMENTS IS A WISE COURSE. THIS, TOO, IS NECESSARY FOR A COMPREHENSIVE APPROACH. REALISTIC JOB AND CAREER INFORMATION IS ESSENTIAL FOR OUR YOUTH.

PUBLIC JOBS FOR YOUTH ARE NECESSARY AS PART OF ANY STRATEGY TO SOLVE YOUTH EMPLOYMENT PROBLEMS; BUT THEY SHOULD NOT BE THE WHOLE STRATEGY. THE PRIVATE SECTOR MUST BE INVOLVED AND IN-SCHOOL YOUTH AND THE EDUCATION SYSTEM MUST BE INVOLVED. WE ARE ASKING YOU TO ADOPT A COMPREHENSIVE APPROACH TO THE MANPOWER PROBLEMS OF YOUTH. THE PROVISION THAT THIS IS ONLY AN 18-MONTH PROGRAM IS NOT GOOD ENOUGH. POSTPONEMENT OF A COMPREHENSIVE STRATEGY ONLY DELAYS SOLUTION OF THE PROBLEM. IT IS TIME THAT A COMPREHENSIVE PROGRAM RECOGNIZING THE REALITIES OF THE JOB MARKETPLACE BE ADOPTED WITH AN INVESTMENT IN OUR MOST IMPORTANT RESOURCE -- THE NATION'S YOUTH.

THANK YOU FOR THIS OPPORTUNITY TO PRESENT OUR VIEWS.

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American Association of Community and Junior Colleges



April 28, 1977

I hope that the attached statement of our views on youth employment legislation will be helpful to you in your deliberations. If you have any questions please call me.

Sincerely,

John E. Tirrell

John E. Tirrell
Vice President for Governmental Affairs

American Association of Community and Junior Colleges



April 28, 1977

Views of the American Association of Community and Junior Colleges on
Youth Employment Legislation

As an association representing the nation's 1200 two-year colleges, we would like to comment on proposals for a national youth employment program, using the Administration's bill, H.R. 6138, S. 1242 as a framework for these comments.

Two-year community and junior colleges and technical institutes are naturally and strongly interested in these proposals, for a number of reasons. As post-secondary educational institutions they serve over one-third of all undergraduates in the country, and over one-half of all first-time students (entering freshmen). As institutions which are heavily involved in technical and occupational education, including programs under both the Vocational Education Act and the Comprehensive Employment and Training Act, our colleges serve great numbers of disadvantaged students, offering remedial programs and job training as well as programs leading to the baccalaureate degree. Older youths who are eligible under youth employment proposals would appropriately receive educational services from these colleges.

With this as a background, we would like to offer some general principles we believe that an effective federal program for youth employment should necessarily include.

First, a program which focuses too narrowly on short-term jobs alone will serve the function of keeping youth off the streets for their period of eligibility, but will not be likely to impact their lives in the longer range. It is generally conceded that the problem of youth employment is in large part technological in the sense that the modern economy is short on entry-level, relatively unskilled jobs — historically where youth used to begin in the world of work. Beyond that, however, it is clear that the youth unemployment problem affects youth unevenly, and that the greatest impact is on disadvantaged youths with the lowest level of educational attainment. For this reason it is imperative that a program to attack the problem include education and training at its core in order to give the participants the basic language and computational competencies, job habits and occupational skills which will improve their chances for qualifying for work on their own. Education, training, counseling, and job orientation should be a vital part of almost every youth employment activity funded by the legislation.

Second, many of the eligible youths will be beyond the normal high school age, even though they may not have completed high school. For these participants, postsecondary institutions are the most appropriate site of educational placement. The language of the legislation should be mindful of this need.

Third, we believe that a limit of twelve months of program participation for any one individual is too limiting, too much geared to keeping them off the streets for that period of time. In twelve months the impact of program involvement would be minimal. Neither basic job skills nor the related personal and educational preparation can be attained in such a short period of time.

Fourth, the greatest youth employment is among low-income youths with low educational attainment and the program should be aimed at those most in need of assistance.

Specific Comments on H.R. 6138, S. 1242

The legislation is funded by "such sums as may be necessary." This gives no indication of the proposed magnitude of the program, and it also gives no indication of proposed priorities among the three parts of the bill. Specific dollar authorizations would be preferable for both these reasons.

Part A. National Young Adult Conservation Corps

In Sec. 803 (c) relating to eligibility for membership in the Corps, preference should be given not only to those residing in high unemployment areas but to persons within those areas who are low-income.

In Sec. 803 (e), we have objected in general to a twelve-month participation limit. The limit should be at least 18 months, especially if, as we suggest below, the possibility of an educational component is added.

Sec. 804 (b) (4). In addition to providing work experience in appropriate skill areas, Corps projects should be authorized to include educational activities including basic language and computational skills, high school equivalency, and other similar activities which will enrich their time with the Corps and better prepare them for jobs upon completion of Corps service. Such arrangements would be made with local education agencies, postsecondary institutions, and other organizations.

Sec. 805 (b) relates to conditions of employment with the Corps. We believe that it might be helpful to include a paragraph similar to Sec. 815 (b) (4) relating to supervisory personnel with appropriate skills.

Part B. Youth Community Conservation and Improvement Projects

Sec. 811. We believe that the introductory language from the Humphrey-Javits bill (S. 170) is more complete and would suggest its adoption in this legislation. Its references to low-income youths, useful and productive work on projects, basic education and development of basic work skills, development of a sense of responsibility, etc., in addition to work experience, make its goals significantly more comprehensive.

Sec. 812 (3). The definition of eligible youth should include a preference for persons who are low-income as well as unemployed.

Sec. 815, Sec. 817. Since these sections serve as lists of Part B eligible activities, we would suggest that 815 (b) (2) and 817 (b) (2) clearly allow: attendance at postsecondary as well as secondary schools, return to school for those who have dropped out (for older youths this would be postsecondary school), education in basic language and computational skills where necessary, including remedial work, part-time as well as full-time work, vocational exploration, work orientation and other types of guidance and counseling.

Sec. 815 (b) (8). Notations of arrangements with "school systems" should read "school systems and postsecondary institutions."

Sec. 818. Here also the 12 month limitation on individual participation should be removed or at least increased to 18 months.

Part C. Comprehensive Youth Employment and Training Programs

Sec. 831. The language on lines 18-20 minimizes the importance of education in Part C programs. The clause should read "including employment, community service opportunities, and educational skill training, and supportive services to enable participants to secure suitable and appropriate unsubsidized employment..."

Sec. 832. (a) and (b) should both specifically mention part-time and full-time work and allow for combined education/work activities.

In addition, the same two subsections should mention the possibility of employment in the private sector. As written they seem to be confined to public sector employment, depriving youth of possible training and employment experience where much of their subsequent employment opportunity may lie.

Sec. 832 (c). To the training and services authorization should be added an encouragement wherever possible to include training and services with all projects. This is particularly desirable if one looks ahead in the legislation to Sec. 835 (c) which states that "to the maximum extent feasible, programs under this part shall be targeted on participants who are out of school, out of work, and experiencing severe handicaps in obtaining employment, including but not limited to those who lack credentials, such as a high school diploma, and those who require substantial basic and remedial skill development." Clearly, if such persons are to be the prime targets of the legislations, training and educational services should be of the greatest importance.

Sec. 832 (c) (6). Literary and English as a second language services presumably include basic skills and remedial work, but a specific mention would clarify the question.

In Part B there is specific mention of the role of the prime sponsor manpower planning council in program planning. Part C should also include such a section as 816 (c) (1) and (2).

Part C - Federal Administration

Section 838 should contain appropriate mention of postsecondary schools as well as secondary schools, remembering that about half of the eligible youths will be postsecondary age. Thus at line 6-7 of page 22, the language should read "cooperative arrangements with educational agencies and post-secondary institutions to provide special programs and services for eligible participants enrolled in secondary schools and postsecondary institutions including job experience, counseling and guidance for students in secondary and postsecondary schools..."

Then in the same subsection there is reference to "occupational, educational and training information through statewide career information systems". We believe that this should be a separate authorization which would operate through grants to the states for setting up such statewide systems which would be tied to a national occupational information and career guidance service such as that envisioned in Sec. 757 of S. 170, the Humphrey-Javits bill. Without a separate focus and national coordination and a national information base, it is doubtful that statewide systems would become effective.

Sec. 839. The section relating to academic credit should include reference to postsecondary education institutions. This is also true in Sec. 852 referring to education credit, although in this section there is no reference to "secondary" so that a reference to "postsecondary" is somewhat less necessary.

TESTIMONY

CONCERNING YOUTH EMPLOYMENT AND TRAINING ACT OF 1977

On January 25, 1977, in his budget address to a joint session of Minnesota Legislators, Governor Perpich stated "it is tragic to be young and unemployed -- especially in a society that preaches faith, opportunity and success through work. . . we . . . need to put our resources together to provide jobs for young people".

To back up this assertion of state policy, the Governor has requested that this testimony be submitted to you in his behalf in support of the proposed Youth Employment and Training Act of 1977. He would have liked to have presented it himself but was unable to because of the demands of our current legislative session. This statement will address this legislation through the following points:

- Youth population in Minnesota
- Current youth employment programs
- Activities of the Governor's Council
on Employment and Training (GCET).
- Specific comments on the proposed
legislation.

Youth Population in Minnesota

In addressing the youth employment problem, it is first necessary to examine the population of young people. We expect that Minnesota's youth population is fairly typical of that of the rest of the United States. The term "baby-boom" as a description of the youth population is important to consider. This babyboom generation was born in increasingly large numbers every year from the end of World War II until 1959, when the births in Minnesota peaked at 88,000 babies. This generation is so large that it's population bulge has an impact on society at every stage, and it will have a new and different impact as the bulge moves through the population's age structure. We saw this when elementary schools sprouted in most districts in response to a growing number of pupils. Even so, children often shared desks and books and attended schools in shifts.

Now that these young people are in their teens and young adult years, they are crowded into high school classrooms and corridors and are pressing at the doors of universities and trade schools in unprecedented numbers.

In the development of any youth employment legislation, it is vital that we recognize this population structure; that we are extremely aware of the affects that these numbers of people are going to have. Specifically, we need to examine what changes lie ahead as this generation, which makes a bulge in the traditional population pyramid, moves full force into the labor market.

During the past decade, we have experienced fairly rapid growth in the fifteen (15) to twenty four (24) year old age group -- as we have seen this babyboom generation move through their life cycle, from childhood, reaching young adulthood. Population projections indicate that in the next decade, the size of this group will peak and then decline. The fifteen (15) to nineteen (19) year old age group will peak this year. This is what makes the employment situation of the fifteen (15) to nineteen (19) year olds extremely critical. We will then see this group, twenty (20) to twenty four (24) year olds, peak five years later, in 1982. If we examine this group together as an age group (fifteen to twenty four year olds), the peak in their population comes in 1979. We also see that the years just preceding and the years immediately following the peak are very close together in the magnitude of this high point. This is vital to keep in mind as far as

the age groups in this legislation are concerned; that we need to examine where are the major age groups in drafting this legislation, and move accordingly.

These figures illustrate the fact that the problem of youth employment is one of immediate importance. It is one that calls for swift action and innovative solutions. We are encouraged by the actions of the Congress in moving swiftly on this very important piece of youth employment legislation.

Current Youth Employment Programs

In Minnesota we have recognized this need for employment opportunities for young people. In order to mobilize our State's resources, the Governor has requested, and the Legislature is in the process of appropriating, over nine million dollars (\$9,000,000) for the next biennium to expand two (2) youth employment programs; 1) the Governor's Summer Youth Employment Program and, 2) to provide match monies for the Federal Youth Conservation Corps.

During the past two years, the Governor's Summer Youth Employment Program has provided job opportunities throughout the State for more than nine thousand (9,000) Minnesota young people under the age of twenty two (22). Government and non-profit agencies employed these young

people in projects that would not have been possible without reimbursement for part of the wages that they were paid. This is a State program which dovetails the Comprehensive Employment and Training Act (CETA) Title III Summer Youth Employment Program, which during the past year, at a cost of 6.5 million dollars, served over eleven thousand (11,000) young people.

One of the comments that was received as a reaction to this Coordinated Summer Youth Program was from an educator in White Bear Lake. He had this to say, "we have had over 2 years of experience with this Youth Program in our district (White Bear Lake). It would appear that this particular program has done more to help youngsters than any program I have experienced in the 20 years I have participated in Vocational Education. Students, prior to being on the program, are generally unemployed and have difficulty finding employment of any kind. I think through this program we have been able to establish good working habits and the money that is provided them has been a motivational factor in these people continuing successful employment somewhere else. We always notice an improvement in appearance after youngsters receive their first or second check."

The Governor's Summer Youth Employment Program and the CETA Title III Summer Youth Employment Program will provide summer jobs for approximately 50,000 Minnesota young people over the next 2 summers. In addition, the Governor recommended an increase in the State matching funding for the Youth Conservation Corps program which provided work and educational experience for young people between the ages of 15-18 in 4 Minnesota conservation camps. State matching funds are to be increased from 150,000 to 270,000 over the next 2 years.

This Youth Conservation Corp (YCC) will do much to preserve, protect and restore Minnesota's environment and at the same time will allow 400 young Minnesotans to work and to earn the satisfaction of making an important contribution to future generations. In Minnesota, for this coming summer, we have had over 4,000 applications for these 400 YCC positions.

Minnesota cannot do this alone. Since we are not alone in this problem, a national problem, an expanded federal response is necessary. The proposed Youth Employment and Training Act of 1977 is intended to provide the expanded federal response necessary to address the employment problem of young Americans.

Activities of the Governor's Council on Employment and Training

In order to address these employment problems of young Americans in Minnesota, our Governor's Council on Employment and Training (GCET) has been working over the past year to recognize special problems of youth and employment and to develop solutions. In their recommendations to the Governor they had stressed the importance of expanded Governor's Summer Youth Employment Program as well as developing operational purposes concerning summer youth employment. They also recognize that youth employment programs are not just summer youth employment programs. That the 16-19 year old who is out of school and out of work has the most serious employment problem in Minnesota.

At the Council meeting of April 20, 1977, the Minnesota GCET heartily endorsed the concept of the Youth Employment and Training Act of 1977 and urges it's swift passage. In addition, they have adopted specific comments regarding this proposed legislation. Governor Perpich has asked me to express his strong endorsement of this proposed Youth Employment and Training Act of 1977 and to forward these comments.

Comments and Recommendations on the Youth Employment and
Training Act of 1977

Part A -- National Young Adult Conservation Corps

General Comments

We applaud this program as contributing significantly to the needs of youth as well as creating a better environment. We in Minnesota particularly appreciate the need for this program. Our general concern is that the program be closely coordinated with the needs and priorities of our State.

We feel that the method of allocating resources to the states should be tied to the amount of public lands each state possesses, both federal, state and county lands. This approach, along with a fair share allocation to state and local agencies as well as Federal agencies, will allow the program to do the most good in the areas it was intended, namely, our nation's system of public lands.

We are also concerned that the program is flexible enough to permit needed employability and other services to be provided to youth in need to have a more permanent impact on their prospects for future employment.

Specific Comments

Section 803(c)

We are concerned that the criteria for areas of high employment take into consideration the seasonability of many state's economies and not penalize states such as Minnesota.

Section 803(d)

It is important to maintain a comprehensive approach to the employment of youth. The participants for this program should be carefully screened to determine their real interest and commitment to this type of employment. It is also important to provide employment counseling following their participation in this program.

It would seem that Indian Prime Sponsors under Section 303 of CETA should be specified as a referral source.

Section 806

We appreciate the acknowledgement of the role of the Governor in the case of agreements being entered into with state agencies.

In addition, the Governor should designate the state agency to be responsible for this program. We also feel that authorized expenditures must include administrative

costs. Work project supplies and equipment, funds for up-grading existing facilities, etc.

Part B -- Youth Community Conservation and Improvement Projects

General Comments

We support the basic concept of this program. We particularly applaud the flexibility of resources implied in the language of Section 811.

Specific Comments

Section 811

While we applaud the intent; we are particularly concerned about the appearance of a hold-harmless on CETA Title I resources devoted to youth activities. If this is the intent of this section we strongly object on the grounds that it limits the flexibility of local prime sponsors, quite inconsistent with the intent of CETA to match programs and activities to the appropriate target groups in need of services. Minnesota prime sponsors are currently devoting more than 50% of Title I resources to those 21 and under. This apparent hold-harmless provision puts unnecessary restraints on prime sponsors' abilities to respond to the needs of their areas.

Section 813(a)

We are again concerned about the measurement of severity of unemployment in the prime sponsor area. From our knowledge, the data on youth employment and unemployment by prime sponsor area is imprecise at best. We agree, however, that targeting funding by the incidence of youth unemployment is the correct approach.

Section 817(a)

We take most violent exception to the provision of this section. We see no reason to develop a procedure any different for this program than we are currently required to utilize under the expanded Title VI program.

Under Title VI each project is reviewed by both the prime sponsor's advisory council as well as prime sponsor staff. The Department of Labor (DOL) has no role in the disapproval of any specific project a prime sponsor submits in his Title VI grant.

We see this section as a dangerous approach as well as an administratively untenable one. It is questionable at best to assume that the DOL could have any justification to decide to fund or not fund specific projects. This flies directly in the face of the decentralization principles as well as the local decision-making principles CETA is built on. It should be stricken.

Part C -- Comprehensive Youth Employment and Training Programs

General Comments

We view this program, in some ways, as the most important part of the bill. It provides the kinds of resources needed to address most comprehensively the employability problems of youth, including the critical issue of transition from school to work.

Specific Comments

Section 831

Again, as stated above, if this is intended to be a hold-harmless for each prime sponsor, we feel it is inappropriate. If it is intended to reflect the intent of Congress not to decrease Title I funding in general, we feel the language should be clarified.

Section 833

We feel that the direction of the funding procedures should be away from significant amounts of discretionary funding. We would support an allocation of:

- 75% of all funds directly to prime sponsors
- 15% to the DOL for innovative and model projects
- 10% to Governors for innovative and model projects

With this allocation we feel that the interests of all groups will be served. Funds will be made available to prime sponsors to work in conjunction with local educational agencies and other human service agencies to provide services to youth.

The DOL will have 14% of the allocation to fund programs of national interests to community organizations, prime sponsors and other applicable organization. This will serve the legitimate interests of providing nationally-supported models.

We feel strongly that a 10% allocation to Governors is an important tool in moving toward policy our youth employment problems. We feel that the active role of the Governor in addressing this important issue will be greatly facilitated through this 10% allocation. It can be used to strongly involve state agencies, particularly the educational system, in meeting the needs of youth.

We support an allocation of these Part C funds based on the incidence of the youth unemployment problem. We would suggest a formula which weighted equally low-income families and youth population. This would appear to best approximate the target group the program is addressing.

Section 835(a)

While we don't disagree with the fact that youth must be unemployed, youth who are in school are not in the labor force and thus not technically unemployed. This might present some problems in serving in-school youth, even though the primary emphasis is serving out-of-school youth per 835(c).

Occupational Information Provisions

We have been particularly concerned about the effectiveness of Occupational Information. Our staff has followed closely the development of these provisions and offer these specific comments concerning this vital issue.

Both the administration bill and the Javits amendments contain provisions relating to occupational or career information systems. We in Minnesota have some experience with one of these systems, as Minnesota is one of the eight states funded by the Department of Labor under its current Occupational Information Systems Grants Program which began in 1975. While we wholeheartedly support the concept of providing current, accurate, and locally relevant information about occupations and educational and training programs to individuals engaged in vocational exploration and decision-making, we have several concerns regarding the current language of both the bill and the Javits amendments. We do not have alternative language to propose but, rather, wish to raise some issues for your consideration.

With regard to the administration's Bill, in sec. 832(c) the "provision of occupational, educational and training information" is listed as an allowable, or perhaps a required, service to be provided by prime sponsors. However, in sec. 838(a), which authorizes the Secretary to establish "innovative and experimental programs," it is stated that the occupational, educational, and training information to be provided "through state-wide career information systems" is to be made available to eligible secondary school students. Similarly, the Javits amendments, in sec. 832(d) (1)(B), in referring to occupational information systems identifies "school district offices" as their users.

We feel it is necessary to point out that information of this nature is just as critically needed by out-of-school youth -- or adults, for that matter -- making a vocational decision as it is by youth still in school. These individuals are, of course, those served by CETA prime sponsors as well as by the public employment service, vocational rehabilitation programs and other social agencies. We feel it is critical that any legislation which expands upon this concept ensures that all youth-serving programs can benefit from the information to be developed.

Let us illustrate from our experience in Minnesota. As mentioned above, the Minnesota Occupational Information System is one of the demonstration projects funded by the current grants program. Recently, Governor's Manpower Office staff arranged for a demonstration of the system to be provided to Minnesota's ten prime sponsors, and then conducted a brief survey to determine the prime sponsors' degree of interest in using the system. Two results of the survey stand out. First, prime sponsors without

exception felt the system would be a valuable tool to support their employment counseling programs. Secondly, however, for the majority of the prime sponsors, the costs associated with using the system pose a serious problem. In Minnesota, the system is currently available through computerized delivery only. This entails substantial costs for hardware, computer access, and in some cases long-distance telephone lines for each physical location. While this works well in Minnesota for educational institutions (which are already tied into an educational computer network), and for our urban prime sponsors who serve a large volume of participants, it is not feasible for small agencies or those which are remote and/or decentralized. This includes both our outstate and our suburban prime sponsors. Alternative delivery approaches have been developed which can be used to supplement computerized delivery. Our concern, therefore, is that legislation clearly state that delivery vehicles be provided which will meet the needs of CETA and other social agencies, including those which are small or remote, as well as the needs of educational institutions.

We would also like to comment on three other aspects of sec. 838(d)(1) of the Javits amendments.

1. Clauses (B) and (D) do not clearly distinguish job banks from career information systems. Career information systems contain general descriptive and labor market information about occupations for vocational exploration and decision-making purposes; in contrast, job banks provide listings of current job openings to aid persons engaged in immediate job search. Job banks are operated by the public employment services under a uniform Department of Labor

designed system as part of their labor exchange function.

We would recommend that the legislation address job banks -- if at all -- separately from career information systems. It may, for example, be desired to strengthen or expand job bank operations to make them more effective. In this case, we would like to call attention to the fact that the information on current job openings contained in job banks is not uniformly made available by state employment service agencies to prime sponsors. This is a matter of local discretion, and where the employment service agency does not choose to make full information available the effectiveness of prime sponsors' operations is adversely affected. Particularly with the additional responsibilities to be placed on prime sponsors with this legislation, it is important that the information needed in the job development and placement process be available to them.

2. These amendments assign responsibility for the development of career information systems to the National Occupational Information Coordinating Committee (NOICC), an interagency body established by the Education Amendments of 1976 and consisting of the Commissioner of Education, the Administrator of the National Center for Education Statistics, the Commissioner of Labor Statistics, and the Assistant Secretary for Employment and Training. This raises a number of issues:

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--NOICC, and the related network of State Occupational Information Coordinating Committees which are also being established, are intended to serve somewhat different purposes. Their mandate is to improve the quantitative data relating to occupational labor supply and demand for the purpose of vocational education and employment and training program planning and operation at the national, state, and local levels. In contrast, career information systems utilize quantitative data such as this as well as a variety of other types of information to proclude descriptive statements about occupations, including duties performed, working conditions, earnings, preparation required, and labor market conditions and trends--that can be used by high school students, CETA participants, and other individuals. Would these related though distinct purposes -- development and dissemination of data -- be better served through being more closely tied together?

--How would this work out at the state level? What would be the relationship between the State OICC's with their statutory authority and either existing or new statewide career information systems? (Current systems are governed by a consortium of state agencies including both producers and users of information.) What change in State OICC membership would be needed?

--How would 50 disparate statewide systems tie into the system to be developed by NOICC and implemented by the State OICC's? The mandate of NOICC is to design and implement an occupational data system which will be based on standardised definitions, classification systems, and estimating procedures, an approach which we fully support. Would NOICC establish standards for inclusion of occupations in the career information systems and for quality and format of file contents? Or perhaps design a national career information system into which local information is to be placed, as has been done in Canada?

There are undoubtedly other issues involved in addition to those which are apparent to us. It may be helpful in this connection to observe that almost all of the existing statewide systems are still in the demonstration project stage, less than halfway through the four-year period of federal support. Perhaps it would be most appropriate for the Secretary to devote time and resources to studying this questions, namely the most effective approach to nationwide implementation of career information systems, before determining whether the NOICC and State OICC network is the appropriate vehicle. Again, we would like to emphasize that we are strongly supportive of federal efforts to improve the labor market information needed both for the planning of

programs and to be provided directly to individuals. Our concern is that these efforts be implemented in the most effective manner possible.

3) Clauses (C), (E) and (F) are programmatic rather than information-related activities, and therefore, need to be addressed in some other context than that of occupational information systems. To illustrate, counseling programs should be developed by parties knowledgeable about and responsible for them rather than parties responsible for the development of information -- which is just one of many tools used in the counseling process. Specifically:

--The counseling and employment programs for youth in correctional institutions referenced in clause (C) would be most effectively handled through the correctional institutions and the appropriate local agency, as discussed above.

--Counseling programs for presecondary youth, as referenced in clause (D), are most appropriately career education activities; they can be made available in local school districts through the "Elementary and Secondary Career Education Act of 1977" (H.R. 7) currently moving through the Congress.

--Programs to "encourage" employers to list job openings are, as discussed above, related to placement rather than career guidance activities, and the previous comments as to public employment service labor exchange responsibilities would apply. It should be noted that there is currently in existence a mandatory listing program requiring federal contractors to list all job openings with the public to veterans. While we could not dispute the intent of this clause, to promote "cooperation and contact between eligible applicants (i.e., prime sponsors) and employers," we feel that it can be more effectively addressed by, as previously mentioned, requiring the sharing of job listings between the employment service and prime sponsors, and by prime sponsors themselves in the course of program operations at the local level.

Statement of the
American Federation of State, County and Municipal Employees, AFL-CIO
on S. 1242 and H. R. 2992
for the Senate Subcommittee on
Employment, Poverty and Migratory Labor
April 28, 1977

The American Federation of State, County and Municipal Employees, which represents over 1 million state and local government workers, would like to submit the following statement on legislation presently before the Senate Subcommittee on Employment, Poverty and Migratory which would extend CETA for one year and which would create a youth employment and training program.

H.R. 2992 - CETA Extension

AFSCME supports an extension of CETA which will permit a smooth continuation of the program for one year. In particular, we support an extension of the public service jobs titles which will continue and expand the Title II program, maintain the present 260,000 level of regular public service jobs under Title VI, and the continue Title VI project jobs above the 260,000 level of regular Title VI jobs. We believe that extending the program for a year will provide the time necessary for extensive public debate on possible substantive changes

in the law that will promote the development of a comprehensive and rational manpower policy which addresses the problems of both adult and youth unemployment.

S. 1242 Youth Employment and Training Act of 1977

S. 1242 adds a new title to CETA to address the specific problems of youth unemployment, and we commend the Administration and the Congress for the initiatives they have taken on this difficult problem.

Chronic high unemployment among teenagers and young adults is a national problem which clearly demands federal attention. It is a complex problem that has some characteristics which are unique and others which are identical to the adult unemployment problem. Its unique features are the failure of the educational system to hold onto many young people; the sheer number of "baby boom" children reaching maturity and seeking their first jobs; and the lack of an effective transition from school to work. The employment problems which young people share with unemployed adult workers are

a sluggish economy which fails to generate enough jobs for all who want jobs; deteriorating local economies especially in the industrial cities of the northeast and midwest where both private and public sector job opportunities are shrinking; and technological and structural changes in the kinds of jobs that are available.

S. 1242 provides a useful mix of different programs to address the many aspects of youth unemployment. Part A creates conservation projects on federal and non-federal lands; Part B creates community improvement projects, including low-income housing rehabilitation and restoration of non-federal public facilities and lands. Part C creates jobs and work experience activities in a wide variety of occupations in addition to providing authority to explore more effective ways of facilitating the transition from school to work. It appears capable of serving both in-school and out-of-school youths, although in-school programs and back-to-school programs could be emphasized more clearly.

The Administration plans to put a large percentage of available funds in Part C. We support that decision because it will permit experimentation with many different ideas.

An important feature of S. 1242 is direct job creation, mostly in the public sector. As such, the bill will create public service jobs and work activities for young people which are very similar, if not identical, to CETA Title II and Title VI jobs and activities. Since its inception, the members and staff of AFSCME have lived with CETA on a daily basis. Our experiences with CETA lead us to the following general observations and conclusions about federal public service jobs creation.

Giving state and local governments federal money to create public jobs, whether they are individual or project jobs, has an inevitable effect on the employment standards of the regular workforce and on local fiscal decisions. The natural inclination of prime sponsors is to build the federal money into their budgets. In the least extreme cases, they use the federal money to create jobs that they would have created anyway, or they refrain from filling vacancies in their regular workforce and rely on the federally-funded workers instead. In the more extreme cases, layoffs occur and attempts are made to use federally-funded workers to do the work the laid-off workers had performed. In addition, prime sponsors have tended to create a separate class of workers out of CETA workers and provide rights and benefits that are less than those regular workers receive. The

CETA workers then become a permanent lower class of public employees. As the number of permanent employees declines, CETA workers make up a higher and higher percentage of the prime sponsor's workforce. The end result is not only substitution but an erosion of labor standards in the public sector.

"Work experience" under CETA, which is very similar to the activities authorized under Part C of S. 1242 , has operated in the same fashion. Under the guise of creating "training activities", prime sponsors give participants substantially fewer rights and benefits. However, enrollees often end up performing as full-time regular workers within a few months, but they continue to be denied equal rights and benefits, including promotional opportunities. Vacancies in the regular workforce are not filled as "work experience" participants are used instead.

Transition to permanent public or private employment under CETA has not occurred to any great degree partly because of limited job opportunities, especially in localities with depressed economies, and partly out of the simple negligence of the prime sponsors. CETA participants have tended to stay in CETA jobs, and CETA jobs have become viewed as a relatively permanent, if not always an integral, part of public employment.

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Thus we now have a public sector workforce which consists of four layers, all governed by different rules, even where workers are doing the same work. These layers are: collective bargaining contracts where bargaining exists; a confusing array of civil service merit systems, which may conflict with the union contract; informal patronage systems; and CETA, which may or may not be integrated into any of the other layers.

This rather chaotic condition of different personnel systems governing people who work for state and local governments has had some unfortunate consequences. Many CETA workers who are segregated from the permanent system become impatient over their lack of opportunity to be treated as regular workers with all the accompanying rights and benefits, including promotional opportunities. Regular workers feel threatened by the presence of a separate class of employees who may or may not be members of an existing bargaining unit. On the one hand, they are fearful that CETA workers will get special treatment or take their jobs; on the other hand, they feel that the presence of CETA workers will tear down their protections and employment benefits.

There is no doubt in our minds that, unless carefully designed and administered, S. 1242 will result in the same kind of practices. If we are not careful, we will simply be adding a fifth personnel system to state and local governments. Substitution will continue, only this time it will be young people replacing older workers. If special

training is provided to young people it will be not only the regular workers but also present CETA workers who may feel resentful that they are not getting the same help.

The question then is how can we assure that the youth employment and training program will be truly beneficial to the participants? How do we assure that the program responds to the many different needs of young people including counseling, training, and education, in addition to job opportunities? How do we prevent participants from becoming simply another lower class of public workers? How do we protect the job security, rights and benefits of regular workers? How can we minimize substitution?

AFSCME believes that there are a number of essential requirements to assure real benefits to the participants, minimize substitution, and protect existing employment standards.

First, any youth employment program must contain strong labor standards which include: maintenance of effort requirements; promotional rights protections; union comment provisions; and compensation, benefits and rights for program participants which are equal to those similarly employed.

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Part D of S. 1242 contains such protections. We would strenuously oppose any weakening of these provisions. We particularly would oppose any weakening of the wage standards under the bill. In fact, we are not very happy with the minimum wage standard under Part A. Our reasons are two-fold. Based on our experience of the past several years, we are convinced that a substandard wage will encourage unnecessary substitution. In addition, a minimum wage standard will result in an inequitable situation in which a young adult working in a state or local park under this program gets a lower wage than another young person doing the same work under Title I, II or VI of CETA.

A second essential requirement is strong federal involvement in the program. S. 1242 achieves this by establishing a grant application procedure for distributing all of Parts A and B and half of Part C funds. We support this procedure and oppose the proposals that have been made to make more of the program funds available to prime sponsors on a formula basis. We especially support the 50/50 split under Part C.

There are several reasons why a strong federal presence through a grant application mechanism is necessary. The issues of substitution and substandard working conditions are even more sensitive under a youth employment program than under CETA. Strong federal involvement will provide a better check on prime sponsors to assure that they do not,

as a result of lack of imagination or fiscal considerations, simply substitute a new lower class of youth workers for regular workers.

Under Part C, a grant application procedure can allow the Labor Department to arrive at a good national mix of experimental approaches to the problems of youth unemployment. Tighter control and more competition will stimulate the development of better quality, more diverse and innovative programs while still permitting ideas to flow up from the local level.

The grant application procedure also provides a better chance for the development of useful work activities which in fact are work that would otherwise not be done, and which do not threaten the job security and employment standards of regular workers, or create hostility toward the program. For example, we might avoid a situation in which New York City might simply put low wage young people to work on its parks under Part A or B while 3,000 regular parks employees are on layoff. Alternatives, such as work on state and Federal parks near the city or clearly-defined neighborhood improvement activities might be developed instead. Then, as vacancies occur in the Parks Department, they can be filled with local funds by workers on layoff instead of by youth participants in the federal program.

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A third important element is effective union involvement. This cannot be achieved, however, merely by giving a local union the program plan for comment after the program already has been developed. Public unions should be consulted in the development stage.

There are a number of reasons why union involvement is desirable. Public unions are the natural ally of the Federal government on the problem of substitution. In addition, local unions can provide helpful suggestions on developing meaningful part-time and full-time work experiences. In some places, local unions have training programs for their own members that can be adapted to a youth program. With union involvement and support, the membership is likely to have a more positive attitude toward the program participants and be more willing to work with and help them. In addition, we believe, that with very careful planning, youth programs in the public sector can be a catalyst for developing meaningful career ladders which can benefit not only the young people but also regular workers. AFSCME is quite willing to work with the Labor Department on such programs.

We believe, Mr. Chairman, that S. 1242 should be regarded as an experimental program designed to teach us different ways of

dealing with the different needs of unemployed young people: those who should be encouraged to finish school; those who need employment counseling; those who need skill training and job experience to enter the job market; and those who are job-ready and simply need a job. The program should test different ideas, such as requiring participants to go back to school or get a GED in order to have a job funded under the program and developing more on-the-job-training activities in the private sector. We need to find out whether it makes sense to enroll a person in a job for only a year and what happens to them afterwards.

S. 1242 should expire at the same time CETA expires so that the lessons learned can be integrated into a comprehensive national manpower policy which addresses the problems of cyclically and structurally unemployed young and adult workers and provides career development opportunities for unemployed and employed persons. It may be, for example, that some aspects of the youth unemployment problem are best served under a separate program while others are best served through integration with a general employment program. We need to review carefully the role of public service jobs creation to determine how to best structure it. We are discovering, for example, that while CETA workers are often viewed as second-class workers, employees in other federally-funded programs are not. This is partly because the latter group were integrated into the regular public service system while the former has often been kept separate.

It may be that instead of simply providing money to create any kind of job, we need to think in terms of legislating specific useful public service activities which are clearly different from regular jobs and then hiring unemployed people into the jobs. Examples might be child care, energy conservation and railbed revitalization. It may be that we should consider using federal funds as a permanent source of funds for entry-level and subentry level public jobs which become an integral part of public personnel systems even though the people filling them may move on.

One thing we do know, however, is that public service employment cannot be the final answer to the problems of all the unemployed. There are limits to what it can do and the number of positions that can be absorbed. Ultimately, we will need to do a better job of economic development and job development in private industry also. What we really need is a manpower policy that is part of a comprehensive full employment policy.

March 16, 1977

TO: Members
Joint Committee on Finance

FROM: Dale Cattansch, Director
Legislative Fiscal Bureau

SUBJECT: Executive Session--Assembly Bill 200 as Amended by Assembly
Amendment 2

Assembly Bill 200 as amended creates a Conservation Works Project Board which is attached to the Executive Office. The membership of the Board is composed of the Secretaries of the Departments of Agriculture, Health and Social Services and Natural Resources; 5 members of the Manpower Council; the Chancellor of the UW-Extension and 5 public members appointed by the Governor with the advice and consent of the Senate, for staggered 5-year terms.

The Board is empowered to hire an executive secretary and any necessary staff; promulgate rules; establish the scope of a conservation work projects program; establish priorities for conservation work projects; seek federal funds for such projects; and establish appropriate qualifications for age, residence and term of employment for conservation work project employees. Additionally, the Board may acquire land and establish conservation camps; enter agreements with the federal government or municipalities to accomplish conservation work projects; and employ persons, outside the civil service, to work on conservation projects.

The Board's purpose is to administer the conservation work projects program which is designed to develop human resources and provide for balanced conservation and utilization of natural resources. This purpose is to be accomplished through the use of federal Public Works Employment Act--Title I and Public Service Employment Act--Title II & VI monies which could be made available through the Manpower Council or directly from federal sources to the Board. The projects on which these federally funded positions would be utilized are for the protection, development and use of forests, fish and game, lakes, streams, plant life, flowers and other outdoor resources in Wisconsin.

The bill makes a one time, annual appropriation of \$75,000 GFR and creates a federal program revenue appropriation line [20.525(6)(m)] through which federal monies would be received and expended. The GFR appropriation is to be utilized as "seed" money to get the Board in operation as soon as possible, so as to be able to receive federal funds for employment of conservation works project employees.

It should be noted that while Assembly Amendment 2 to AB 200 changes the GFR appropriation from \$75,000 in each fiscal year to \$75,000 in FY 1977-78, in order for the Board to become operational during the current fiscal year, an amendment to AA 2 would have to be adopted to appropriate the \$75,000 GFR in FY 1976-77. Additionally, in order for this bill to be enacted prior to the passage of the budget bill, an emergency clause must be attached thereto under the provisions of s. 16.47(2).

CONGRESSIONAL BLACK CAUCUS

306 House Annex
Washington, D.C. 20515
(202) 225-1691

YOUTH EMPLOYMENT MEETING RECOMMENDATIONS

PREAMBLE

1. Youth employment services are to be established in a manner consistent with laws to eliminate racial and sexual discrimination.
2. Language should make clear that the bill is to provide manpower services and training, and not simply jobs. Goal should be sufficient career exploration opportunities that will lead to permanent career employment in the primary labor market.
3. Statement that the exceptionally high unemployment rates for Black youth merits special attention and allocation of funds.
4. Programs to provide employment opportunities for youth shall include special efforts to reach women, particularly in programs such as conservation corps which have traditionally reached largely male groups.

PART A

1. Great concern was expressed about this section, despite recognition of the political realities which will likely result in its enactment.
2. Target 16-22 age group.
3. Income targeting rather than race, in Part A a \$15,000 ceiling suggested, with same feeling it should be lower, some that it should be tied to the Labor Department's minimum family budget.
4. Education, training and employability should be written in. Education credit section should be strengthened to include more education and career counseling activities through seminars and other special sessions. (note: language to this effect was removed prior to introduction of bill).
5. Seventy-five percent of the funds under this section should go to state and local parks to get closer to urban areas.

PART B

1. Target 16-22 age group.
2. Income targeting to those from households not exceeding 70 percent of the lower living standard income level (as in Part C).
3. Education, training and employability should be written in.
4. Retain the CETA delivery system, but make explicit provision for sub-contracting to community-based organizations.

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5. Countercyclical component of the bill should be limited to this section.
6. Funds to be used for employment over equipment; tie this program to other federal programs which provide for equipment (e.g. HUD, EDA).

PART C

1. Target 16-22 age group, but also include 14-16 year-olds where there is a school-to-work transition program.
2. Income targeting to those from households earning under 70 percent of the lower living standard income level.
3. Education, training and employability should be written into all sections of the bill.
4. We recommend that youth employment legislation be targeted to areas having large numbers of low-income unemployed youth. (Note: It was recommended that the House Subcommittee on Employment Opportunity do a computer run for review to determine the best allocation formula).
5. There was a good deal of support for retaining 50 percent of the allocation as discretionary money. Remove targeting requirements from this section. Innovative programs should be selected by the Secretary in order to emphasize service to youth in low-income areas.
6. Stress community-based organizations in funding (through CETA mechanism) for the formula grants of Part C.
7. Payment of stipends rather than wages for the formula grants of Part C.
8. States should be encouraged and should encourage their prime sponsors to undertake innovative programs based on the available data, utilizing the formula grant funds of Part C.
9. A component providing technical assistance to sponsors for program and operation should be written into the bill, particularly for the formula grant funds of Part C.
10. Retain the CETA delivery system, but make explicit provisions for subcontracting to community-based organizations.
11. Introduction of modified apprenticeship concept, with 2-year training.
12. Anti-discrimination mechanism should be written in, possibly similar to that in LEAA and revenue sharing, applicable to all sections.
13. An evaluation component should be written into the unrestricted funds program of Part C so that detailed data will be gathered to determine the success of innovative programs. Results of the evaluation should be disseminated. This should be the Secretary's responsibility.

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AREAS OF ADMINISTRATIVE IMPLEMENTATION

1. Inspector General--An office of Inspector General should be established similar to that under the Office of Economic Opportunity.
2. Youth section in Manpower Administration--a separate office for youth employment should be established within the Labor Department, with responsibility for all youth programs including summer youth programs and job corps which should be coordinated with those operating within CETA Titles I, II and VIII to avoid duplication of services. At the same time as new youth programs are established, evaluation of the suitability of existing programs for youth should be made.
3. A clearinghouse should be established to gather and disseminate information not only on placement, but on all youth employment-related activities. The Department should be responsible for disseminating data on innovative programs.
4. An interagency advisory council including all federal agencies and national community agencies should be established to coordinate interest organizations and lever all other federal funds.
5. The Wagner-Payser Act should be totally re-examined in the future.
6. In the development of the regulations, the Department of Labor should include outside groups such as national community organizations and public interest organizations to help develop the regulations.


COMMUNITY COUNCIL OF GREATER NEW YORK

225 Park Avenue South • New York, N.Y. 10003 • (212) 771-1001

April 26, 1977

Senator Harrison Williams
 352 Russell Senate Office Building
 Washington, DC 20510

Dear Senator Williams:

The Community Council of Greater New York as the convener of social and health agencies in the public and voluntary sectors has recently reviewed the Administration's "Youth Employment and Training Act of 1977" and the Javits amendments to the legislation.

Members of our Employment Task Force representing labor, business and industry, academia and social agencies from the public and private sectors have developed this paper which was approved by our Board of Directors today.

We submit to your committee our response to the legislation and ask that our recommendations be studied and implemented.

Sincerely,

Edwin K. Bernheim

Mrs. Leonard H. Bernheim
 President

LMB:cc

Enclosure



COMMUNITY COUNCIL OF GREATER NEW YORK

225 Park Avenue South • New York, N.Y. 10003 • (212) 777-5000

The Community Council of Greater New York supports the concept of funding programs that can help alleviate the problems of youth unemployment in our country.

In responding to the current administration's youth bill, the "Youth Employment and Training Act of 1977" we applaud its intent on beginning to lessen the frustration of unemployed young adults.

We recommend that the following issues be examined as the bill is discussed and request that the provisions be incorporated in the actual legislation or in the accompanying regulations:

1. Funding Level: We are in favor of the proposed authorization in the Javits amendment of \$2.5 billion.
2. Competition For Part C Discretionary Monies: We recommend that the definition of 'eligible applicant' (under SEC. 834 (1)) be expanded to include not-for-profit voluntary agencies and that 833 (3) (d) and 834 (3) be rewritten to allow such not-for-profit agencies equal access to apply directly to the Secretary of Labor and

HEALTH AND WELFARE PLANNING AND COORDINATION

2.

be equally considered for direct funding of innovative and experimental contracts under section 838.

3. Priority - Drop-outs: While we recognize the value of programs for in school young adults, we recommend that monies be concentrated on funding programs for the youth who are out of school and unemployed.
4. National Occupational Information Coordinating Committee: We question whether the amendment provision to increase occupational information has been clearly articulated with programs funded under the Vocational Education Act and other legislation. An integrated approach needs to be developed. Efforts should be made to incorporate existing and planned programs so that an effective occupational and information delivery service can be available at the neighborhood level.
5. Performance and Program Accountability: We support the need for strong provisions for quantitative and qualitative performance data and recommend that accompanying regulations clearly identify quarterly procedures to which prime sponsors and project operators must adhere.

3.

6. Clientel Under Part B: To insure that out of school young adults be given necessary priority access under Part B, we suggest that the distribution of young adults be proportioned accordingly: First priority to a minimum of 50% given to school drop-outs; next up to 25% to unemployed, low income high school graduates; and finally not more than 25% to all those in the age category.
7. Strengthening Role of Manpower Planning Councils: We recommend that the role of the Manpower Planning Councils be strengthened under section 816 (c) (1) and that it review and monitor all programs funded by its prime sponsor under CETA Title VIII.
8. Supportive Services: We agree and emphasize that the youth employment programs should have necessary supportive services to meet the wide range of needs of all young adults and request that 835 (a) and (c) be maintained as necessary.
9. Start-up Time: We recommend that while monies may be available as early as July 1, the first few months should be used as a planning period and that programs be enabled and funded to design programs and hire staff during this time. We urge that actual programs begin operating no sooner than September 1, 1977.
10. Formula Grants: We support appropriating funds based upon the severity of youth unemployment in the prime sponsor's geographic area.



Chamber of Commerce of the United States

LEGISLATIVE ACTION VICE PRESIDENT
MILTON DAVIS

202 559-5140

1615 H STREET, N.W.
WASHINGTON, D.C. 20002

April 28, 1977

The Honorable Caylor A. Nelson, Chairman
Subcommittee on Employment, Poverty and
Migratory Labor
Committee on Human Resources
United States Senate
Washington, D. C. 20510

RE: The Youth Employment and Training Act (S.1242)

Dear Mr. Chairman:

The Chamber of Commerce of the United States welcomes this opportunity to express its support of S. 1242, the Youth Employment and Training Act of 1977. This legislation is designed to provide our nation's young people with worthwhile work and training opportunities which will improve their job prospects and enhance their lifelong career opportunities.

This issue is of vital concern to our membership which embraces over 63,000 business enterprises, 1100 trade and professional associations and 2500 state and local chambers of commerce.

In general, we support S. 1242 as needed legislation to address the complex issues of youth unemployment. While supportive of the general concepts in the bill, we would like to suggest some revisions.

First, the legislation should include specific mechanisms for involving the private sector in employment and training programs. There is strong argument for this involvement. Five out of six permanent jobs in our nation's economy are in the private sector. If unemployed youths are to obtain full-time, self-sustaining employment, the most efficient method of doing this is through private sector work experience. We recommend that S.1242 include some provisions to make increased on-the-job training more attractive to the private sector. For example, tax credits could be provided to employers who provide training and employment opportunities to young people on a pilot-test basis.

Second, we support continuation of the decentralized block-grant system of funding based on the fact that it permits local flexibility and responsiveness. Part C of S.1242, the Comprehensive Youth Employment and Training Programs, relies on a project approach for distribution of 50% of the funds available for these programs. We suggest following the precedent

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set by Section 4E of CETA, P.L. 93-203, which requires that 80% of CETA funds be distributed on a formula basis to state and local areas, allowing 20% to be reserved for nationally-administered programs. This 80-20 mix seems an appropriate combination to allow for local flexibility as well as national innovation.

Third, we recommend that consideration be given to paying less than the minimum wage for employment and training resulting from S. 1242. This youth opportunity wage could apply to jobs performed under Parts A and B of S. 1242, and would maximize the number of jobs provided by this legislation.

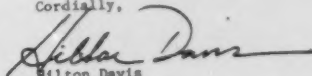
Fourth, in accord with long-established policy, we oppose the provisions (Section 851(j)(3) of Part D) that apply prevailing Davis-Bacon wage rates to Part B and Part C projects.

Lastly, we recommend that the bill be revised to provide increased linkages between CETA programs and in-school youth. If this legislation is to address comprehensively the employment needs of youth, it must do more than create jobs. It must address the broader question of careers and lifelong employment. A strengthened education to work transition is essential if we are to solve the youth unemployment problem.

The National Chamber supports the overall thrust of S. 1242 and urges your consideration of our recommendations which would increase the bill's effectiveness.

We appreciate your consideration of our views and request that this letter be made a part of the hearings record.

Cordially,


Hilton Davis
Vice President
Legislative Action

CC: Subcommittee Members
Richard E. Johnson
James J. O'Connell



State of Wisconsin

April 20, 1977

The Honorable Senator Gaylord Nelson
United States Senate
Washington, D. C. 20510

Dear Senator Nelson:

It is our understanding that you have just introduced a bill entitled the "Youth Employment and Training Act of 1977." The attached is the text proposed amendments to this Act. These suggested amendments contain a proposal for providing job placement services and training in job seeking skills for youth. Since a plan developed in Wisconsin was used as the model for this legislation, we would like to express our support for these amendments.

In order for you to become more familiar with the Wisconsin model for school based job placement services, (a joint effort of Job Service Wisconsin, the Wisconsin Department of Public Instruction, and the Wisconsin Vocational Studies Center,) we have included several published descriptions of activities carried out by these agencies. The Wisconsin project has received national recognition and has been described in such publications as Worklife magazine, the ETA Interchange and the Wisconsin Vocational Educator. In addition, the project directors, Paul Speight and Peter Van Ness of the Department of Public Instruction and the Job Service Wisconsin respectively, have been invited to present this unique and successful project to national audiences in Houston, Texas, at the National Career Education Conference and in Columbus, Ohio, at the Industry-Education Conference sponsored by the National Association for Industry-Education Cooperation. Both conferences were held in November of 1976.

The Wisconsin project was started in the Fall of 1975 with 56 high schools and 12 district Job Service offices. A total of 13,000 high school seniors participated in the project. At present, the second year of operation, more than 150 high schools and 19 district Job Service Offices are involved in the project and will serve more than 30,000 high school seniors. Community response to the project has been outstanding as shown by the sampling of newspaper articles attached. We would particularly like to draw your attention to the full page advertisement paid for by a local bank in the southern part of the state supporting their local job placement project.

Of the particular interest is the amount of local taxpayer support for this project since it draws from the expertise of multiple agencies and eliminates duplication of services. We have also attached a sample evaluation from one of our projects in Marinette. This evaluation was conducted after the initial six months of operation. You may be interested in local employer reactions in the Marinette evaluation.

This multi-agency project was initiated through grants from the Educational Personnel Development Act and Employment Security monies. In a couple of Prime Sponsor areas, Job Service personnel were temporarily supported with CETA funds. Experience indicates that these projects will become self supporting after the first year of operation in most communities. However, based on public comment, the services and training for youth are of such value that community support for additional funding would be readily generated.

If you wish to have further information regarding this unique and successful multi-agency job placement project, you or your staff may wish to contact either Paul Speight at the Wisconsin Department of Public Instruction or Peter Van Ness at the Job Service Wisconsin.

Sincerely yours,

Virginia B. Hart

Virginia B. Hart
Chairman,
Wisconsin Department of
Industry, Labor & Human Relations

Barbara S. Thompson

Barbara S. Thompson, Ph. D.
Superintendent
Wisconsin Department of
Public Instruction

enclosures

cc: Governor Patrick Lucey
Lt. Governor Martin Schreiber
Mr. Philip Lerman
Wisconsin Office of Federal-State Relations
Wisconsin Congressional Delegation

4/13/77

PART D - INTENSIVE JOB SERVICES FOR YOUTH
STATEMENT OF PURPOSE

Sec. 841. It is the purpose of this part to establish improved employment services to high school students approaching graduation, recent graduates, other in-school youth needing part-time or summer employment, and school drop-outs needing part or full-time employment. To the maximum extent feasible, services under this part shall be designed to facilitate the employment of urban and rural youth, including completers of programs conducted under Part C of this title, in suitable, permanent unsubsidized jobs in the private and public sectors of the economy.

PROGRAMS AUTHORIZED

Sec. 842. The Secretary is authorized to provide, subject to such terms and conditions as he deems appropriate, financial assistance to enable eligible applicants (as defined in Section 844) to conduct cooperative programs with public and private schools, including junior or community colleges, throughout the Nation. Such cooperative programs will provide eligible participants with the following services:

- (a) community-based central intake and information services for youth designed to provide --
 - (1) comprehensive job opportunity information;
 - (2) occupational, educational and training information through the State-wide career information systems; and
 - (3) employment counseling orientation and assessment services leading to an improved understanding of job opportunities and career possibilities;

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- (b) job development, direct placement, and placement assistance to secure unsubsidized employment opportunities for youth to the maximum extent feasible; on-the-job training where specific skills barriers can be eliminated and other unsubsidized employment is not available;
- (c) where no suitable employment opportunities are available, referral to employability development programs, including but not limited to programs operated under this Act; and
- (d) other programs and services which will foster the purposes of this part including youth serving youth and joint youth and employer activities such as job fairs, inspection trips and job try-out programs.

ELIGIBLE PARTICIPANTS

- Sec. 843. (a) Eligible participants in programs authorized under this part shall include persons who, at the time of entrance into the program authorized by this part, have attained age 16 but not age 22, provided that, pursuant to such regulations as the Secretary may prescribe, persons who have attained age 14 but not age 24 may be eligible participants.
- (b) In carrying out the program authorized under Section 842, priority shall be given to those schools and school systems in urban and rural areas in which substantial numbers of students are from low-income families or which experience high drop-out rates prior to graduation, or from which substantial numbers of students are

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planning to enter employment after graduation rather than to continue further training or education. Equity of access to services provided under this Part shall be accorded to schools and students from rural areas.

FUNDING OF ELIGIBLE APPLICANTS

Sec. 844. State employment services established under the Wagner-Peyser Act shall be eligible applicants for funds available under this part. The Secretary shall not provide financial assistance to an eligible applicant unless such applicant submits a plan for a school-to-work transition program which describes in such detail as the Secretary may require:

- (a) a description of the geographic areas to be served, identifying the rural and urban areas included therein;
- (b) a description of the population to be served, including the total number of eligible participants residing in areas to be served, the percentage of those eligible participants who are members of low-income families, the percentage of those eligible participants who reside in urban and in rural areas, and percentage of those eligible who are members of minority groups;
- (c) a description of the services to be provided, including a description of the applicant's cooperative agreements with State and local educational agencies (as provided in Section 846);
- (d) the results and benefits anticipated; and
- (e) the funds required to implement the programs, indicating the percentage of funds allocated to urban and to rural areas.

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ALLOCATION OF FUNDS

Sec. 845. (a) Funds available for this part in any fiscal year shall be allocated as follows:

- (1) 75 percent of the amount shall be allocated on the basis of the eligible participants within the State as compared to the eligible participants of all States; and
- (2) 25 percent of the amount shall be allocated on the basis of the relative number of unemployed youth within the State as compared to such numbers in all States.

(b) In determining allocations under this subsection, the Secretary shall use what he or she determines to be the most recent and best available data.

INTERAGENCY COOPERATION

Sec. 846. The Secretary of Labor and the Secretary of Health, Education and Welfare shall enter into a cooperative agreement which encourages State education agencies and local school systems to enter into agreements with the employment service in each State for the provision of services authorized under this part. State and local agreements shall specify the services to be performed, and shall describe the support services which may be provided by the schools. Where practicable, such agreements shall provide that services for in-school youth be performed at the school site.

Worklife

U.S. Department of Labor
Employment and Training Administration
November 1975 Vol 1 No 11

Bridging the Gaps

The chronic unemployment of large numbers of American youth—skilled and unskilled, advantaged or disadvantaged—brings into sharp focus the Nation's urgent need to forge more useful links between education and work.

If the youth employment rate is to be significantly improved, human resource developers must set about closing the gap between the types of training students receive and the kinds of jobs they can land in the world of work. Too frequently the training has no more relation to actual job requirements than the classical college to Stanford University.

Take for example the young college graduate with a degree in psychology who considers himself lucky to be an elevator mechanic helper at Los Angeles International Airport. After winning the job over 300 rising applicants, he said, "I'll probably go back to night school to take some classes in electricity to better prepare myself (for advancement)."

Similar situations, more or less of the same scale, are prevalent nationwide at both the college and high school levels, indicating that problems encountered in preparing students for the transition from education to work will have to be remedied before the number of jobless youth can be reduced to a tolerable figure. It will take time. Structural and institutional improvements must be made in existing programs and new projects created. Synchronous relations between schools and business, labor, government, and local communities will be essential.

Solving the complex issue is a challenge. The Federal Government is meeting it with an Interagency Steering Committee made up of qualified individuals from the Departments of Labor, Commerce, and Health, Education, and Welfare. The committee, under the leadership of Ben Burdetsky, Deputy Assistant Secretary for Employment and Training, has started a Work and Education Project to build up momentum for changing the direction of long-range human resource development as the Nation's work force grows.

Although it's too early to predict how far interagency efforts will go or how fast changes will be made, Burdetsky details the scope of the Federal commitment in *Troubled Transition? From School to Work*, appearing on page 2 of this issue of **WORKLIFE**.

As it moves to close the work-to-school gap, the interagency group expects to bridge the gap between rhetoric and reality, too.

Walter Wood



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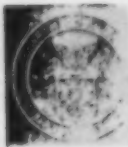
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Troubled Transition: FROM SCHOOL TO WORK

by Don Dornbush

At various times over the years the Federal Government has undertaken programs to assist students, particularly the young, in making a smooth, effective transition from the Nation's educational system into the world of work. Rightly or wrongly, these efforts have generally been rewarded by particular concerns at certain times, such as periods of high youth unemployment, extreme juvenile crime, inner-city situations in the community, and needless school dropout incidences. The interest and the ad hoc programs that have emerged as a result of these efforts have, unfortunately, been short-lived, generally lasting only as long as pressure was felt, even though it was clear that the underlying problems had not been solved. Some permanent or institutional changes such as student participation in academic decision-making have resulted, but no lessening of the serious problems faced by young people in making the transition from school to work.

Many students find that what they studied in school is unrelated to available jobs, that the skills they learned are not needed where they thought they would be. Some discover their training is not geared to new processes, materials or technological developments, especially when the training is confined to the classroom.

Thus, skills are obsolete before the individuals begin to work. Moreover, few students are exposed to occupational or labor market information and many counselors and teachers suffer from the same lack of knowledge. These deficiencies cause us to conclude that our schools and other societal institutions generally do an inadequate job of preparing students for the real world in which work and careers are so important.

Today, the United States is in a serious unemployment situation. While the national unemployment rate (seasonally adjusted) is down from a high of 8.9 percent in May 1975 to 7.8 percent in July 1976, it is still higher than the Nation can accept.

Unemployment among teenagers is extensive even when employment rates are high. Black teenage unemployment has reached extremely high levels with little evidence of abatement. The accompanying table shows how severe unemployment consistently stands out as a serious national problem.

These chronically high youth unemployment rates, particularly among teenagers, have led to a number of Congressional proposals, such as a special Youth Employment Program, a Youth Corps, and a Presidential Advisory on Youth, others range from expansion of the Job Corps to some kind of guaranteed employment or subsidy, and youth minimum wages.

A new Federal Government-led education-work initiative came directly from President Ford. In a speech at Ohio State University on August 30, 1974, he directed the Secretaries of Labor, Health, Education, and Welfare, and Commerce to find ways to bring the worlds of education and work closer together. The President was concerned because local institutions which control the policies of education and the workplace often operate in isolation.

The President focused attention on facts that had been surfacing for some time:

- Students are cut off from the interesting material and motivation provided by real problems outside school.
- Students are not exposed to work in all its manifestations and often concern about this fact is becoming increasingly widespread.
- Children and young people need opportunities to work with and learn from adults as well as their peers to acquire social and coping skills, such as communication and cooperation.
- And, finally, employers tend to exclude young people from entry into important career occupations until they reach their early 20's.

Immediately after the President's speech, a Federal interagency effort got underway to provide remedies for the problems. A number of task force reports were prepared with a variety of suggestions and recommendations for action. Unfortunately, just at that time the recession worsened and total unemployment escalated. National concern for the economy and for adults who lost their jobs preoccupied Federal Government managers, while new youth activities were given low priority. The interagency efforts were also hampered by changes in top leadership of the three Government departments and youth program interest suffered without sustained top management commitment during the changes.

In the fall of 1975, the Government reconstituted its education and work initiative project involving the Departments of Labor (DOL), Health, Education, and Welfare (HEW), and Commerce by establishing an Interagency Steering Committee to provide leadership. While this effort is concerned with unemployed youth, it is not directed at reducing youth unemployment in the short run, rather, it is a longer term program aimed at students, counselors, and the community at large, with its attention primarily focused on the local community. The initiative is aimed at the schools, the students, employers, government, labor organizations, and volunteer groups. It operates on the premise that students' transition from the world of education to the world of

work can be improved after new relationships, processes, and programs are institutionalized.

Community interest and cooperation, particularly at the local level, are essential to the success of any program established for students and for those already in the labor market who are experiencing difficulty in the changeover from school to work.

A Work and Education Project staff has been established and goals set for the short and long run. A variety of projects are underway or on the drawing board, supported by mayors, county executives, and governors who are prime sponsors under the Comprehensive Employment and Training Act (CETA), the public employment service (PES), educators, employers and employer organizations, organized labor, and other groups and individuals.

A number of activities, assisted by the Federal initiative in areas of major importance, include the following:

1. Bringing education and work closer together

This activity is aimed at local, State, and national institutions, within and outside Government. Education, however, is recognized as a local responsibility and work as a personal prerogative. Improved relationships between the institutions of education and work must take place mainly at the State and local level to help individuals effectively.

The Interagency Steering Committee strategy is aimed at promoting closer ties among institutions in the community. A major project has been funded with the nonprofit National Manpower Institute (NMI), which has pioneered community involvement in education and work. NMI, founded by former Secretary of Labor Willard Wirtz, will identify or establish 15 community Work-Education Councils, made up of representatives from education, business, labor, State and local governments, and other local institutions with a stake in school-to-work problems. Council members will be encouraged to cooperate and collaborate in as many ways as possible to take the initiative in smoothing students' transition from the schools to the world of work.

Specific areas that might be considered by a typical council are (1) curricula, in terms of relevancy, currency, and content; (2) occupational programs to indicate what jobs will be available and when; (3) opportunities to give students meaningful work experience while in school; (4) placement and assistance for students about to enter the job market; (5) cooperative school-work programs in which employers, and, in many cases, unions—work closely with schools; and (6) community cooperation needed to operate effectively.

NMI will also maintain an information exchange to provide

easy reference and assistance to communities interested in undertaking collaborative work-education ventures. This will be done through a library of labor market information and case studies, a newsletter, conferences, and technical assistance.

A variety of other local collaborative efforts are supported by the Work and Education Project staff in cooperation with State and national educational, labor, and business organizations. These efforts may result in education-work councils spearheaded, for instance, by the National Alliance of Businessmen (NAB), a junior or community college, a CETA prime sponsor or a local labor union.

One effort already underway is a Community College Labor Service Center, which is being established jointly by the Education Department of the American Federation of Labor Congress of Industrial Organizations (AFL-CIO), and the American Association of Community and Junior Colleges (AACJC). The community college-labor union partnership advances cooperation in six areas:

- Apprenticeship training.
- Journeyman retraining.
- Pre-retirement education.
- Utilization of tuition benefits in contracts.
- Labor education curricula.
- Credit for union training and on-the-job learning experiences.

The AACJC will survey 1,200 member colleges, write and publish articles, organize lists of leader consultants, conduct forums and conventions, organize workshops, and act as a central clearinghouse for information.

An important facet of the total effort to bring education and work closer together is more private sector involvement. Much national attention has been directed at public sector activities, but it is in the private sector that the majority of students will be employed. Cooperative education-business-union relationships are essential to the success of the new Government interagency initiatives.

2. Supporting and encouraging local collaboration through interagency programs

As this is being written, the Commerce Department and HEW are revising plans for their roles in the interagency initiatives. Commerce held a series of public meetings last spring with individuals from all walks of American life who presented their views of the Federal initiatives. Many suggestions flowing from the meetings will be included in Commerce's plans.

HEW has been developing education-work program proposals through task forces. Some HEW activities are already

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integrated into the interagency efforts and others will be adopted in the near future.

IDOL, through its Employment and Training Administration (ETA), has a number of CETA youth programs underway. At the present, more than 50 percent of all CETA resources are spent on youth 16-22 years old. Meanwhile, ETA is operating explanatory programs to interest more State Manpower Services Councils and CETA prime sponsor planning councils in an improved cooperative youth program. Training and educational programs, including vocational education, can be linked together much more effectively, to reflect up-to-date, accurate occupational projections. The State manpower and prime sponsor councils, plus labor unions and public employment services (PES), could be more involved in part-time and work experience programs. Unfortunately, in many communities there is little or no collaboration or cooperation at either the State or local levels.

The Summer Youth Program offers an excellent opportunity for major redirection. This program, in effect for several years, has been aimed primarily at keeping youngsters off the streets and out of trouble during the summer. Why not make the summer work experience more meaningful? Some prime sponsors are tying their programs to student career plans and occupational choices, but if the chief elected officials could work together with the schools and the PES, many new programs could be worked out.

The PES has long dedicated a major portion of its resources to youth. And many more opportunities are available for it to utilize its longstanding job development skills and employer counseling, testing, and placement services in a cooperative venture with schools, unions, industry, and CETA prime sponsors.

Wherever possible, cooperative employment service school programs are already being promoted. For example, a project funded by the IDOL saw 400 high school and other counselors invited to work in employment service local offices during the summer of 1976. And the Wisconsin Job Service, long a pioneer agency in innovative programs, today is collaborating with the Wisconsin Department of Public Instruction and the University of Wisconsin in an experimental project to help high school students and school-leavers enter the labor force. The project is a team effort to provide:

- Career education and vocational counseling
- Job placement, full and part-time
- Employability development (job-seeking skills)
- Work Experience and Career Exploration Program (WECPE) coordination and worksite development

Deputy Assistant Secretary Ben Burdelsky: "Many students find that what they studied in school is unrelated to available jobs; that the skills they learned are not needed where they thought they would be. Some discover their training is not geared to new processes..."



Left: Department photo by Harrison Allen

Cooperative venture such as this could be adapted to other States and localities.

3. Reviewing Federal regulations and policy

DOL and HEW are reviewing child labor laws to see whether changes should be considered in view of complaints from educators and employers that the laws and related regulations are barriers to many youth program proposals. Any such barriers should be identified and analyzed in terms of today's needs. The child labor laws are intended to protect children from exploitation and exposure to work hazards. While we must not permit exploitation and exposure, we must recognize technological change in jobs and the possible need for revision of these long-standing laws to eliminate interference with opportunities, but at the same time retain their original intent.

A look at the special provisions of the Fair Labor Standards Act which offer expanded work opportunities for young people—but are not well known to many in the employing community or in the schools—indicates room for improvement. For example, the Student Learner Permit Program permits payment of a subminimum wage (75 percent) to vocational education students over 16 years old for part-time work in training related jobs. Students receive onsite counseling by vocational school coordinators. Approximately 17,000 students currently participate, and it may be possible to expand training for needed occupations.

Colleges are permitted to hire their own students for up to 20 hours per week at 85 percent of the minimum wage. About 330,000 positions have been authorized for this program.

The Work Experience and Career Exploration Program (WECEP)—operated jointly by HEW's Office of Education and the Labor Department's Employment Standards Administration—permits 14- and 15-year-olds to enroll in work experience programs during the school day. Twenty States and the District of Columbia operate WECEP programs offering work experience to approximately 25,000 students. WECEP could be expanded to other States and existing programs could be broadened to include more careers.

In another arena, the Federal Interagency Committee on Education (FICE) is working with the Civil Service Commission and the Congress to encourage Federal agencies to provide non-paid work experience for students in planned career exposure programs. Legislation is pending to permit such programs.

This brings up the question of employer insurance liability for work experience students: Can students in unpaid work experience programs be covered under existing school or employer programs? The answer may be a significant barrier to expansion

of such opportunities for young people. An HEW-led task force is working on the problem.

Work experience has many opponents, including some in the labor movement who see any unpaid work experience program and many school-work programs as incursions into adult employment. Others are strongly opposed to any subminimum wage program, be it for youth or any other group. It is fair to say, however, that most in the community are interested in our young people. Therefore, ways to foster cooperation must be found.

Moreover, more persons are susceptible to agreement and cooperation than not. Sensitive, enlightened programs can be worked out, though some teachers' organizations are mildly opposed. Their members see student time spent away from formal school hours as reducing the number of classroom teachers. This fear must be handled with understanding and in positive terms so that work experience programs can be developed with teachers' organizations participating for the total educational benefit of students.

4. Improving dissemination and utilization of occupational and career guidance information

Several projects are attempting to provide current, accurate, understandable occupational and career guidance information. Unfortunately, such data too often fails to get to those who need it most, principally students and counselors. National Occupational Information Systems (NOIS) have been funded in eight States to design and develop systems to serve everyone involved with career exploration and decisionmaking. NOIS grew out of an old Manpower Administration—now ETA—model in Oregon. Oregon's NOIS succeeded in bringing together all relevant occupational information in the State and organized it in a central file accessible through computer terminals in schools, employment offices, and other desired locations at a low unit cost on a buy-in basis. The Oregon system is self-supporting. Our goal is to make the new systems in Alabama, Colorado, Ohio, Massachusetts, Michigan, Minnesota, Wisconsin, and Washington self-supporting once they are in operation.

Whole or partial systems are already in operation in other States and localities. As the new NOIS-State systems progress, learning experiences will be made available to other potential users.

Today, some of the best occupational information is available from the DOL's Bureau of Labor Statistics (BLS) with which the Work and Education Project staff is working to find ways to disseminate the facts and figures more effectively and make the information more meaningful and usable. New projects may include films, publications, a national speakers bureau, and

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Vocarey Madison, who will soon be making the transition from school to work, scanned computer printout of career opportunities at University of Wisconsin's Center for Studies in Vocational and Technical Education. All semester John Horie assisted. The center is part of the State of Wisconsin's Occupational Information System, established to help high school students enter the labor market.



KYMLIFE/november 1979

At the Job Service (JS) office in Madison, Wis., high schooler Mary Torrey learned how to use a job bank microfilm viewer with the help of Pete Van Rens, JS specialist.



Brigitte Barrett, 17, finds a clerk at Manufacturers Hanover Trust Co. in New York City, landed the job through her high school WECEP, assisted by a placement team, including a Job Service specialist.

Shelf upon shelf of up-to-date material is available through the National Occupational Information Service centers in eight states for persons in the process of career exploration, especially students and out-of-school youth.



Book Sign Photo by Ted Housh.

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modular curricula packages for use at the ETA's regional training centers. Our goal is to get information into the hands of all potential users in time for them to use it.

Long-range plans call for model Career Information Resource Centers at which all of the best materials and techniques would be available to provide occupational information. A pilot center would be installed at a convenient location such as an employment service office, a public library, a public school, or a university. If successful, the pilot could be expanded readily to other locations.

Finally, the project staff is putting together a data book on Youth Employment Statistics and Service to Youth. It will contain a variety of materials from BLS and other agencies and can be updated with the most current information. This resource will be augmented by a Chart Book on Youth Employment which BLS will publish in the near future.

5. Augmenting research, demonstration, and pilot projects

Many education and work programs with different names and acronyms have appeared over the years. Therefore the NMI has been asked to gather information about these programs for the Federal Interagency Work and Education Project. The project staff has arranged to pull together reports on all ETA-funded R & D projects and experience in transitional programs. Similar collating is to be done with information about HEW and other Federal agencies' experience.

Another source of information is George Washington University's Social Research Group, working in support of the Interagency Committee on Adolescence. The group has a file of current research projects identifying resources and programs pertaining to youth. HEW supports this activity, which can be a useful complement to the NMI effort.

Research which will attempt to estimate the probable transition of various categories of youth into the labor force is underway in the DOL, which will use National Longitudinal Survey High School Class of 1972 data. DOL has also funded a research project at Pennsylvania State University to develop a probability analysis model which could also utilize the Parnes (Ohio State) longitudinal data.

All aspects of the research, demonstration, and pilot projects will be subjected to close study, analysis, and evaluation, and every effort will be made to utilize results from successful projects and demonstrations. Results and recommendations will be widely disseminated, and the project staff will attempt to provide technical assistance wherever possible.

In conclusion, it is obvious that the school-to-work problems of this country are serious and require substantial major institu-

tional and cultural changes. There is evidence that many educators, business leaders, government officials, union leaders and other concerned individuals and organizations are ready and eager to get involved. They seem to recognize the vast scope of the venture, and appear ready to collaborate in a broad national, State, and local effort to get the job done.

Because the Federal interagency effort stresses coordination and commitment on such a broad scale, it should be clearly understood that this is not another governmentally directed panacea to a national problem. While the Federal Government, and particularly the Departments of Labor, Commerce, and Health, Education, and Welfare can lend their collective expertise and resources, it is, indeed, incumbent upon the private sector and local communities to come together to bridge the gap between education and work. In the final analysis, follow-through and change can best be accomplished locally.

We have learned much in recent years, and we have a better understanding of the factors affecting youth employment problems. We have learned the strengths of various intervention strategies, and the Federal initiative is a sensible application of this knowledge.

There is always a risk of spreading the effort too thin. Yet the interest and enthusiasm demonstrated thus far must be sustained. This is a challenge for the Interagency Steering Committee and the Work and Education Project staff. Success will lead to more interest and involvement of those with a stake in the future of our youth.

This initiative must survive beyond the immediate crisis of high unemployment. It must keep its momentum strong until our institutions have developed and changed to deal successfully with the difficult transition from school to work. □

Comparison of Selected Unemployment Rates
1967-1976

Year	U.S. Rate	Adult Male 20+	Adult Female 20+	Youth 15-24	White 15-24	Black 15-24
1967	3.8	2.1	6.7	6.7	11.0	26.5
1968	3.5	2.2	5.8	6.7	11.0	25.8
1969	3.5	2.1	5.7	8.4	10.7	24.0
1970	4.0	3.5	4.8	11.0	13.5	29.1
1971	5.9	4.4	5.7	12.7	15.1	31.7
1972	5.6	4.0	5.4	12.1	14.2	31.5
1973	4.5	3.2	4.0	10.5	12.8	40.2
1974	5.0	3.8	5.5	11.8	14.0	32.9
1975	5.5	4.1	6.0	10.1	17.4	36.8
1976	5.6	5.1	5.1	10.6	19.8	38.6

Source: Bureau of Labor Statistics

from ETA Interchange, Feb. 1977

Wisc. Youth Get Jobs Through Team Effort

About one-third of Wisconsin's public high schools — 140 of them — are participating in a novel team effort to better prepare students for adult responsibilities as employees, and to actually place them in jobs.

In existence for a little over a year, the In-School Placement Project is a cooperative venture of the Vocational Studies Center of the University of Wisconsin, the Wisconsin Department of Public Instruction, and Job Service Wisconsin.

The project is staffed at each school by a team of specialists, consisting of a guidance counselor, a vocational education coordinator, a Job Service placement specialist, and, sometimes, another teacher. Together these teams are serving approximately 25,000 students.

During the program's first six months of operation, when only 37 schools participated, the project enrolled nearly 11,600 students, provided some kind of instruction to nearly 3,000 more, and was responsible for 2,444 placements.

'Everybody Knows His Job'

"The cooperation between school and employment service people out in the field is one reason the program works so well," according to Paul Speight, who as director of special projects for the public education department initiated the project. "Responsibilities are spelled out in written agreements, so everybody knows what his task is."

Furthermore, he says, "it is a student-oriented model that is flexible enough for each community to do the things it needs to get youngsters placed in jobs."

Peter Van Ness, a field consultant for Job Service Wisconsin who has also worked closely with the project since its inception, says that "potential dropouts and the 53 percent of high school seniors who do not go on to college or vocational school" compose the project's primary target group.

Here's a summary of what the combined talents and contacts of team members are able to provide interested students:

Job search preparation. Students are trained in the fine points of preparing a resume, completing job application forms, and being interviewed. They are coached in personal grooming, handling discouragement, and what will be expected of them as employees.

Career education. Understanding why certain tasks must be learned and how to be successful on the job — in a sense adopting a certain state of mind — is another important part of a youngster's development. Part-time work experience augments career education by exposure to the real working world, so the students can see if they are suited to particular types of work.

Counseling. Students receive labor market information and news about job opportunities that is geared to individual aptitudes, interests, and course material.

Placement. Every effort is made to place participating graduating seniors into full-time suitable work, although placements during the school year are usually for part-time work. Openings are obtained from the Job Bank as well as directly by team members from employers. Project goals are publicized through employer contacts, the media, mailing campaigns.

Because of the model's flexibility, Van Ness explains, the organization of each team and the division of responsibilities among members differ from school to school. Many Job Service specialists, for example, are assigned to several small schools and may report to each once a week. In the meantime, other team members at these schools perform some of the tasks that a full-time Job Service person would do.

Each team works closely with a local advisory committee representing community interests and those of parents, students, and school administrators. The committee advises on placement activities, gaining community support, and stating the curriculum to local job needs.

Project funds come almost entirely from federal sources, including voc ed, U.S. Employment Service, and CETA Title III monies. As for the future, special project director Speight says, "We are confident that we will be able to provide for expansion next year on the basis of the amount of job placement that will occur."

The University of Wisconsin designed the model for the youth placement project, consulted on its development, and has helped with evaluation. The Department of Public Instruction is responsible for in-service training, equipment, and extended contracts for school personnel involved. And, of course, Job Service Wisconsin provides the Job Service specialists, although in one case when the local office was unable to fund the position the local prime sponsor provided the money.

For further information, contact: Peter Van Ness (Job Service Wisconsin, Bureau of Manpower Utilization, P.O. Box 7903, Madison, Wisc. 53707) or Paul Speight (Wisconsin Department of Public Instruction, 126 Langdon Street, Madison, Wisc. 53702).

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Larry R. Mast
Director of Information
Employment and Training Administration

Editor: Abby Martine, Editorial Offices: 702/376-4903

THE WISCONSIN VOCATIONAL EDUCATOR

Cover Design

The design on the cover is a pen and ink drawing by Sandra Witkauskas, Madison artist. New vocational education legislation mandates increased examination of sex role stereotyping in occupational training. The question of whether occupational roles are changing will be covered in subsequent issues of *The Wisconsin Vocational Educator*.

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Job Placement Services for Younger Workers

By Paul Speight

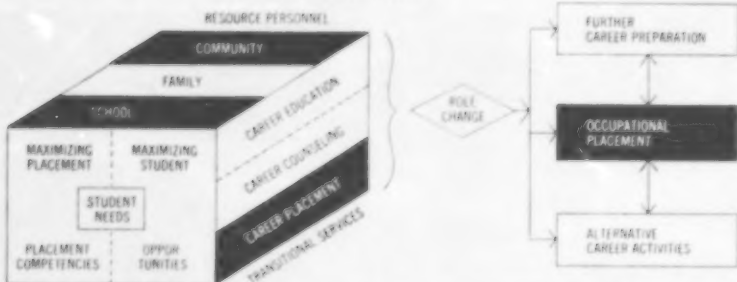
The Department of Public Instruction (DPI) is in its second year of a Job Placement Project designed to involve local school districts in a team effort to establish placement programs at the high school level. The Career Placement Model developed by the Wisconsin Vocational Studies Center was chosen as the model for provision of placement services. A steering committee was formed of personnel from the Center and from DPI's Bureau for Career and Manpower Development and Job Service Wisconsin. The steering committee decided that units at the local level would consist of a team of at least a Local Vocational Education

Coordinator (LVEC), a school counselor, and a job service placement specialist. For the first year, 15 individual sub-projects were approved; these projects ranged from single schools to consortia of up to 13 schools.

Plans for the individual placement projects called for training sessions to assist students in writing resumes and choosing a work area of interest, to inform students of available employment agencies and services, and to solicit job slips and refer students for placement. For the 1976-77 school year, the project is being expanded to include more than 100 school districts.

Wisconsin Job Placement Model

"GUIDELINES FOR SCHOOL/JOB SERVICE
COOPERATION IN AN IN-SCHOOL
JOB PLACEMENT PROGRAM"



The transition from school to work is a matter of growing national concern. Unemployment rates for youth aged 18 to 25 years consistently are nearly three times the rates for the total work force. During periods of high unemployment, the gap widens as greater numbers of experienced workers become available. The situation is particularly serious for disadvantaged and handicapped youth. The concern of both state and federal governments is evident from the inclusion of job placement in the Comprehensive Employment and

Training Act (CETA), the Vocational Education Act, and various other laws. More recently, President Ford directed the departments of Labor, Commerce, and Health, Education and Welfare to form a joint committee to deal with the continuing problem of unemployment, especially among youth.

Although the unemployment picture in the state of Wisconsin is better than it is in some other areas of the country, the same problem of high unemployment of youth, particularly minority youth, continues to exist.

The unemployment rate for persons aged 18 to 25 years in Wisconsin is estimated at approximately 14 percent. The rates for Native American and migrant youth in rural areas and younger Blacks and Chicanos in urban areas are estimated to be as high as 60 percent. Nearly 15 percent of all students who enter Wisconsin high schools leave prior to graduation and more than half of those who graduate go directly into the labor market. The problem of youth unemployment is increased by 53,000 to 55,000 young persons being added each year to the total Wisconsin work force of slightly more than 2.1 million workers.

High schools in the nation are being required to assume increasing responsibility for placing their students into jobs. At least 13 states have enacted laws requiring the high school to provide job placement services. While Wisconsin does not have this requirement, the Wisconsin State Plan for Vocational Education has given high priority to job placement services. During the 1975-76 school year, the Department of Public Instruction (DPI) obtained funding under the Educational Personnel Development Act (EPDA) to train high school counselors in the development and implementation of job placement services.

Placement Model

The Job Placement Project was started during the summer of 1975 with a search for a placement model. A review of the literature revealed that the Career Placement Model developed by the Wisconsin Vocational Studies Center of the University of Wisconsin-Madison contained job placement elements best suited to the project.

The model contained several features which made it appropriate for the project. Some of these were the following:

- Job placement is seen as part of a career placement continuum.
- The model is student centered.
- A variety of resources are utilized, including multiple agencies.
- Existing school personnel are utilized.
- The model provides for training of the student in job seeking skills.
- Its flexibility allows each school to tailor the job placement program to local needs.

Since the model allowed the use of several agencies, Job Service Wisconsin was included in the project. A steering committee was formed of personnel from the Wisconsin Vocational Studies Center, Job Service Wisconsin, and the DPI's Bureau for Career and Manpower Development.

The steering committee's first task was the development of an operational model for the project. This involved the following key decisions:

- As much flexibility as possible would be maintained so that each unit within the project could tailor operations to local needs.
- The project would continue as a joint effort of the DPI, Job Service, and the University.
- Each operating unit would be served by a local advisory committee consisting of at least one employer, one employee, one student and one representative of the Job Service and the school.
- Each local operating unit would consist of a team including at least a Local Vocational Edu-

cation Coordinator (LVEC), a school counselor, and a Job Service placement specialist. The team could be expanded depending on local needs.

- Each unit would develop a written operating agreement reflecting local needs and the needs and abilities of students and the team members.

Information Conference

Once the three participating agencies established guidelines, they invited representatives from all the high schools and the Job Service district offices in the state to attend an information conference. The purpose of the conference was to solicit sub-projects and to disseminate the basic format for the project.

The agencies anticipated an attendance of 75-100 people, from whom four or five sub-projects could be developed involving 15-20 high schools and three or four Job Service district offices. However, 285 registered, indicating the widespread concern for the problem of unemployment of youth. On the basis of this response, the project was expanded to include as many high schools and Job Service offices as possible. Fifteen projects were approved which covered 15 Job Service district offices, 57 high schools and more than 13,000 seniors. Both urban and isolated rural areas were represented. Projects ranged from single schools to consortia of up to 13 schools.

After projects were approved, a two-day training session was held. Stressing the "jointness" of the project, each team developed a joint working agreement in which the duties and responsibilities of each team member were spelled out and a team leader was designated. Plans called for training sessions to assist students in writing resumes and choosing a work area of interest. The student was then to be made aware of the various agencies and services available in seeking employment. Final activities involved soliciting job slots and referring students for placement. While the sub-projects followed this general format quite closely, the responsibility for various functions varied.

Evaluation

Three basic evaluation instruments were utilized to determine effectiveness of the Job Placement Program. The first involved a replication of the 1975 Wisconsin Senior Survey which surveyed graduating high school students' perceptions of the value of various resources in making career decisions. In the original 1975 survey, low respondents indicated an awareness of Job Service Wisconsin, and most did not regard the high school counselor as the best source of planning information. The results of the survey replication showed higher ratings for the value of both Job Service and school counselors.

The second evaluation instrument involved data collection by Job Service to ascertain the value of the team concept and the effectiveness of the placement model. While not all teams performed equally, the total number of placements exceeded plans for the project. The evaluation indicated that Job Service personnel thought that client satisfaction, a job placement relationship could improve services to the younger worker and provide an expanded clientele for placement specialists.

The third evaluation consisted of short written reports of field observations by state Job Service and DPI staff as well as university project coordinators.

Future

For the 1976-77 school year, the project is being expanded to include more than 100 school districts. Project staff recommendations for improvements include the following:

- Establish stronger working agreements for teams. Where teams spelled out rights and responsibilities in writing, projects were most effective. Competition among team members and turfismanship were held to a minimum.
- Establish a maximum number of schools and students for each team. The maximum number of seniors with which a team can deal effectively is approximately 1,000. In relation to smaller schools, geographical restrictions make it difficult for a placement specialist to cover more than five schools, devoting one day per week per school.
- Remove school operated "co-op" vocational programs from the responsibility of the team. While some teams asserted in the location of training sites, the vocational co-op coordinating teacher

has final responsibility for placement and on-site supervision of these students.

- Utilize only existing school personnel. An important principle was observed: considerable latitude in utilizing personnel and obtaining procedures. In the few projects where outside personnel were hired by the school to provide placement functions, considerable time was lost in hiring personnel and defining responsibilities and relationships to other school staff members. The additional costs for personnel in the schools do not appear to be justified.
- Involve all of the school counseling staff. In most cases where schools had multiple staff in the guidance department, the concentration of responsibility for the job placement function in one or two persons frequently had the effect of denying job placement services to the counselors of other staff members. Classroom teachers also made excellent contributions to the projects when they became involved.

Commissioner's National Conference
on Career Education

PROGRAM



615 THE COUNSELOR EDUCATOR IN CAREER EDUCATION

ROOM 618

Dr. Eldon Ruff, South Bend, Indiana

The presentation will focus upon the seven recommendations presented in the 1976 position paper on Career Development/Career Education prepared by the Association for Counselor Educators and Supervisors.



616 JOB PLACEMENT PRACTICES IN CAREER EDUCATION

ROOM 401

Don Koome, Wisconsin Vocational Studies Center, Madison, WI
 Pete Van Ness, Madison, WI
 Paul Speight, Wisconsin Department of Public Instruction, Madison, WI

A variety of school-based placement programs are successfully operating in nearly 100 Wisconsin high schools. Basic program components include instruction, guidance and referral services. Placement teams are formed from school teachers, counselors and job service specialists. This organization has worked for rural and urban school districts.

617 THE ELEMENTARY SCHOOL PRINCIPAL IN CAREER EDUCATION

CANCELLED

618 STATE EDUCATION AGENCY PERSONNEL IN CAREER EDUCATION

ROOM 710

Implementing a State-wide Career Education Conference Through a Director's Association

Dr. Jerry Booth, Nogales, Arizona

The presenter will describe a joint effort by Directors of Career Education and Arizona State Department of Education to disseminate information on 20 career education projects through a state-wide Career Education Conference.

619 THE SUPERINTENDENT IN CAREER EDUCATION

ROOM 711

The Role of Superintendents in Career Education

Dr. Grant Venn, Georgia State University, Atlanta, Georgia

A presentation on methods of securing administrator commitment and community involvement for Career Education programs.

620 SUPERVISORS AND DIRECTORS OF INSTRUCTION IN CAREER EDUCATION

ROOM 206

Mrs. Eileen M. Robertson

The presenters will provide a description of the process by which teachers, curriculum specialists and community leaders planned, implemented and refined a K-12 Career Education program.

Industry- Education Cooperation

Regional Conference on
Education / Work and
School Placement Services

November 28-30, 1978

Columbus, Ohio

Raymond A. Wasil
Program Chairperson

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TUESDAY - NOVEMBER 30, 1976

7:30 A.M. - 9:00 A.M.

Breakfast and Speaker - Introduction of Speaker and Overview
of Day's Activities - Raymond A. Wail.

Speaker: John B. Daly, National Alliance of Businessmen,
Executive Vice-President, Operations, Mountain Bell Telephone
Company, Special Assistant to President

9:00 A.M. - 10:00 A.M.

Session Number 4* (Four One-Hour Workshops)

10:00 A.M. - 10:15 A.M.

Break

10:15 A.M. - 11:15 A.M.

Film - Presentation - Total Group.
Presenter: Dr. Byrl Shoemaker, State Director of Vocational
Education, Columbus, Ohio

11:25 A.M. - 12:25 P.M.

Session Number 5* (Four One-Hour Workshops)

12:25 P.M. - 1:30 P.M.

Lunch - Panel - Employment Services
Dr. Anthony Fantaci, Chief, Division of Testing,
U.S. Employment Service, Washington, D.C.
Mr. Peter Van Nieu, Field Consultant, The Job Service,
Wisconsin
Mr. Paul Speight, Director of Special Projects,
Wisconsin Department of Public Instruction

1:30 P.M. - 2:30 P.M.

Session Number 6* (Four One-Hour Workshops)

2:30 P.M. - 2:45 P.M.

Break

2:45 P.M. - 3:45 P.M.

Session Number 7* (Four One-Hour Workshops)

3:55 P.M. - 4:55 P.M.

Session Number 8* (Four One-Hour Workshops)

5:00 P.M. -

Review - Reactions - Adjournment

*See Presentation/Workshop Data Sheet

Grant County Herald Independent
Wednesday, December 8, 1976

Section 3, Page 1
Lancaster, Wisconsin

Job placement project benefits students

by Pat Kvallok

A prime concern of many high school seniors is finding employment after graduation, and with the uncertainties of today's job market, this can involve some difficult decisions unless some guidance is offered.

Six schools in this area, in cooperation with the Lancaster Job Service and William Meier, LVEC for Lancaster and Potosi, have joined in a job placement project that is designed to make the choice of a career easier for the student, aiming him in the right direction.

Schools involved are Lancaster, Potosi, Fennimore, Cassville, West Grant, and Platteville, and the project costs those districts nothing. It has been approved by the Department of Public Instruction and is funded entirely by Job Service. It actually got its start last year when it operated on a limited basis for several months. This year, the program has been expanded and a full time Job Service Specialist is being provided by Job Service.

Dave Posey is the Specialist and spends a half day each week in each of the six schools. He meets with seniors on an individual basis and is qualified to assist them in deciding what career best suits them and how to go about embarking on those careers.

The need for such a program is evidenced by the fact that 35 to 50 percent of graduating seniors intend to seek immediate employment. The plans they make as seniors will largely determine their future success, and require an assessment of employment opportunities as well as an understanding of what is needed to fulfill the requirements of various occupations.

CAREER CHOICES

As Meier states in his project proposal, "The ultimate goal of this project is to develop sound career placement choices for each senior student in the school system and former students, be it educational, employment or alternative." As director of the project, Meier also points out that students who are planning on additional education or training need also to be advised on "future employment trends, qualifications needed to acquire certain positions, and availability of training programs and costs."

Larry Zimprich, of the Job Service, said many students are not aware of the placement service provided by his office and he hopes, through this program, "We can get to them before they make a great number of mistakes. We were pleased that we were granted funds to continue."

The Job Placement Project does not begin and end with helping the student plan his post-graduation future. It involves actual placement in jobs while the individual is still in school, in some instances. This means there must be employer cooperation and this is a major factor in the success of the program. As Elmer Kenitz, Job Service director, pointed out, "This is a team effort. We feel the business community is an important part of this program. With an advisory committee composed of representatives of different occupations, we get ideas on the types of jobs available and how to promote them."

ADVISORY COMMITTEE

Advisory committee members include Ed Alt, Prairie Federal Savings and Loan, Lancaster; Kirby Bailey, Skyline Corp., Lancaster; Mary E. Briel, Briel Implement Co., Fennimore; Pete Esser, John Deere Co., Potosi; Neil Pier, Potosi State Bank; Thomas Faherty, Platteville; Robert Bauman, Northern Natural Gas Co., Platteville, and Delores Jahn, Steven Zuckies, Platteville.

Also deeply involved are guidance counselors and LVEC's who help direct students in need of this help, to the program and to meetings with Posey.

Posey emphasized that he is not a counselor, but a specialist in placement. If more counseling is needed, the school counselor handles that. He feels one of the strong reasons for having him in the fulltime position is that the students can see and identify with him on a daily basis. He is eager to inform them of what jobs are available, where they are and what is needed. He can help establish apprenticeships and on the job training. A work experience can usually help a student decide if this is, indeed, the career for him.

Those involved with the project are quick to point out there is no

cost for employers who wish to take advantage of the placement service and that those who provide on the job training will be reimbursed for training expenses.

The men cited several instances where this job placement service had helped individuals make a firm decision career-wise, how some decided to further their formal education in order to achieve their chosen career goals, and others learned an apprenticeship was worth the time involved if it meant someday reaching those goals.

CAREER PACKET

Each student who participates fills out a personal data record to assist him in assessing his capabilities. Posey also gives them a packet entitled "Personal Approach to a Career". This packet includes a wage table, information on educational needs for various positions, and job tips. There is also a pamphlet on job interviews, how to prepare a resume and even one on grooming.

Any employer interested in the program is invited to call Job Service of the schools involved. As Meier noted, the goal is to help the student, to keep him out of the ranks of the unemployed, and to offer him the guidance he needs in deciding on a career. The employer, is of course, a vital ingredient in the success of the venture.

There are fringe benefits in the program, not the least of which is familiarizing the students with the Job Bank available at the Job Service office in Lancaster. Kenitz commented, "We'd like to get them thinking of Job Service as just that and not an 'unemployment' office."

With the enthusiasm of those directing the program, it promises to be a great boon for that large segment of the high school community that needs direction and assistance in planning and organizing a productive, contributing future.

Of 52 school districts around the state to have the program last year, this area could claim six, thanks to the concerned efforts of Meier, Kenitz and Zimprich, who saw the need, were aware of the availability of the program, and contacted others to get the ball rolling.

Thursday, March 17, 1977

Sat., Jan. 24, 1976

OSHKOSH

Daily Northwestern

Page 12

Marshfield News-Herald

Job Service has school program

An experimental program to ease students' transition from high school to work has been developed by Wisconsin Job Service of Oshkosh and the Oshkosh public schools' job placement service.

John Witherell of Job Service is working with Terry Seifert, job placement director for the public schools, and Paul Brunky, counselor at Oshkosh Lourdes Academy, to implement the program at North and West high schools and at Lourdes.

Job Service is providing the schools with local, state and national labor market information. It is also making available, with supervision, the "Job Bank," a listing of jobs available statewide.

Witherell will also assist in job development for students graduating, or leaving school for other reasons, and needing jobs.

The General Aptitude Test Battery from Job Service may also be used as a counseling tool by the high schools, according to Seifert.

"The schools will acquaint students with Job Service and encourage them looking

for jobs to register with Witherell. Teachers are also being encouraged to have him visit their classes to discuss job-finding and interviewing techniques, and how to succeed on the job," the placement director explained.

Seifert said the cooperative program "is part of the local schools' efforts to better equip young people with skills to aid them in finding a job when they leave high school."

Jobs may be easier to find for school students, he at least says, with little or no experience in the work force. Thanks to a cooperative program being launched by the schools and the county Job Service.

An agreement was signed Monday between the National School for the Deaf, Ashland, and the Oshkosh and Job Service's placement service to begin a placement program.

The primary target group consists of students who are deaf and who are job handicapped, physically and mentally handicapped, in the school system. The school, however, will be able to help them find a community job.

An advisory team has been formed at the two schools to assist students in the placement team. These meetings also will seek community support for the project and provide information to the Job Service and the schools.

Marshfield local residents are C. J. Lutz, Job Service supervisor, and Hank Binkley, guidance counselor at North High School. Local faculty guidance counselor at Ashland's high school, Marvin Schmitt, vocational guidance counselor at Ashland's high school, and a vocational guidance counselor at Ashland's high school, and a vocational guidance counselor at Ashland's high school.

vocational related courses now in place at the school.

Job Service's representative has already helped build bonds at Oshkosh North and will provide placement assistance to the public school students who are deaf and who are job handicapped.

Students will be able to find jobs at the public school and the school's placement service. The school will be able to find jobs at the public school and the school's placement service.

Students will be able to find jobs at the public school and the school's placement service. The school will be able to find jobs at the public school and the school's placement service.

The program is a cooperative venture of the Vocational Studies Center of the University of Wisconsin, the Wisconsin Department of Public Instruction and the Job Service. It is set up to help a new and growing group of students who are deaf and who are job handicapped.

Job Service program at OHS making headway

FREDONIA

Headway is reportedly being made by the new Wisconsin Job Service Placement Program at Ozaukee High School.

The program, which begins at the 10th grade level, is a spin-off of the Career Program that covers grades 7-9. Job Service helps prepare and place students in either employment or further education.

The concept was first introduced to the District in August, 1975 by Dept. of Public Instruction (DPI) consultant Paul Spanght. By October, 1975, a program was written by the District, presented to the DPI and on Nov. 25, 1975 Unified School District, received confirmation of the proposal.

At the Jan. 12, 1976 School Board meeting, official approval was given by the board for this year and tentative approval for the next years.

The Advisory Committee is headed by Frederick Casper, Project Coordinator and LVEC Coordinator at OHS. Members include Gordon Fairbert, Project Consultant, Howard Douville, Job Service representative, David Rodi, Guidance, Al Kiar, Employer representative, and Peter Juhka, Vocational Technical School representative.

The program will receive 80% reimbursement from DPI.

MARINETTE EAGLE STAR NEWSPAPER

JANUARY 8, 1977

Students Locating Work In Cooperative Program

By GARY PETERSEN

Of The Eagle-Star Staff

A program instituted a year ago at Marinette Senior High School to facilitate the transition of students from an academic environment to the world of work has been remarkably successful.

Realizing that young people experience a difficult time securing employment, local educators launched a cooperative venture with Wisconsin Job Service in January, 1976. The project, known as "High School Placement Service", is funded jointly by the Department of Public Instruction (Federal Vocational Education Act funds) and Job Service.

Lloyd Harmon, local educational vocation coordinator, first became aware of the placement service and helped initiate the local program, which was one of only 15 pilot projects that were sanctioned statewide. A recent evaluation by the state ranked Marinette third in terms of performance.

Besides the local public high school, the job placement service is also available to pupils at Marinette Catholic Central High School, North-west Wisconsin Technical Institute-Marquette, and the University of Wisconsin-Marquette, as well as to recent graduates and dropouts.

From Oct. 1, 1976, to Jan. 1, 1977, a total of 308 students were interviewed under the program by Carol Brumm, Job Service specialist who was hired exclusively to direct the project. For a variety of reasons, 146 of the students became inactive, leaving 162 persons still seeking employment. 174 were found for 78 of the 162 pupils, including 47 part-time positions, 15 full-time, and eight temporary.

The program's overall success rate in finding jobs for students is nearly 50 per cent. Seeking employment during the past semester were 16 high school seniors, 20 juniors, 11 sophomores, 10 freshmen, 11 UW students, 13 NWTI pupils, 11 recent high school graduates, four college graduates, and two school dropouts.

From Oct. 1, 1976, to Jan. 1, 1977, a total of 308 students were interviewed under the program by Carol Brumm, Job Service specialist who was hired exclusively to direct the project. For a variety of reasons, 146 of the students became inactive, leaving 162 persons still seeking employment. 174 were found for 78 of the 162 pupils, including 47 part-time positions, 15 full-time, and eight temporary.

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If students express a desire to enter the world of work, the placement service program is explained to them and they are invited to make appointments with Miss Brumm. She, in turn, evaluates and attempts to match a student's academic background with existing job openings in the area. If employment is proffered outside the immediate area, Miss Brumm has Job Bank, a listing of all available positions in the state, at her disposal.

In addition to holding office hours at the various schools involved in the program, Miss Brumm spends a portion of her work week in the field, making contacts with prospective employers and developing job openings. Due to the success of the program, her position was recently made permanent.

Serving on the job placement team besides Miss Brumm and Harmon are David S. Ludvigson, supervisor

PRIVATE JOB SERVICE OFFERED TO EVANSVILLE STUDENTS

Jim Stewers from the Evansville office of the Wisconsin Job Service will visit Evansville High School on Tue., Jan. 13, according to J. Peter Shaw, the school's guidance director.

Stewers will meet with senior economics students. Stewers will explain to the students the assistance offered by the Job Service.

Employment during the school term, summer employment, and permanent employment after high school graduation will be discussed.

Thereafter, a representative from the Job Service will visit the school weekly to assist in job-finding, according to Mr. Shaw.

The Evansville 1-a-76 Review

tendent of schools, Eugene Castello, guidance director at the high school, and Richard J. Slattery, director of the Job Service office at Marinette.

Members of the team are quick to point out that the program should not be evaluated solely upon the number of pupils who are successfully placed on company payroll, although those statistics are impressive. In addition, even students who fail to find work benefit by learning proper grooming standards, how to evaluate themselves, how to show interest, and how to conduct a proper interview. With the tight job market and stiff competition, any advantage that a person has when applying for employment is helpful, they noted.

Besides motivating students to attain their full potential, the program teaches them to associate curriculum goals with work experience. It also develops employment prospects for physically, emotionally, and mentally handicapped pupils so that their school experiences are more in tune with their individual needs.

Job Service staff expertise, pamphlets, and labor market information are used whenever appropriate and feasible. The organization's franking privilege is also available.

10/76 LOCAL 95
"UNION NEWS"

From The Janesville Schools

By Howard Gage

Coordinator of Personal & Public Information

The Janesville Public Schools, in cooperation with the Wisconsin Department of Public Instruction (DPI) and the Job Service, are in the beginning stages of a program to facilitate employment for high school students and to assist counselors at both Craig and Parker in this particular aspect of guidance.

Dan Lase of Job Services will be at Parker High School each Monday and Tuesday and at Craig Wednesdays and Thursdays to work with and counsel students. "I want to give the students an idea of what the job market is like," he notes. "I want to show them, for example, what it takes to get an apprenticeship, what to expect in pay schedules or even how much education will be required for a specific vocation."

Although Lase will concentrate on students headed for jobs, he will also devote some of his time assisting students in college placement and career exploration. The school counselors will continue to assist students in college placement, military service opportunities and other post-high school programs. Lase intends also to provide input for college students regarding job market information and keep them advised of trends in their specific job markets.

"I'll also be working with drop-outs," he comments. "I want them to know they're in for some hard luck until they turn 18 and then they've got one strike against them. Maybe, I can shed some light."

Parents are urged to discuss this new service with their kids, especially if they're in their senior year. Parents are welcome to contact Mr. Lase themselves if they desire first hand information about the job market for students or graduates.

It is hoped that employers will also avail themselves of the service by contacting Mr. Lase for either full or part time help.

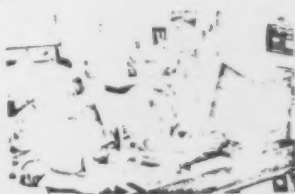
The Janesville Public Schools and the Job Service feel it is very important to outline the present job market and educational alternatives for Senior High School students. The goal of the program is to place 100% of the seniors into the job market, into post high school education, into the military, or into some other worthwhile experience.



Enthusiasm for this new job placement service shown as Parkview Guidance counselors Claire Jordan (left) and Robert C. Campbell introduce Steve Wiers (left) and Ron Harnack to Jim Bennett, Job Service Specialist, from Indiana Office of Job Service (formerly) and Washington State Employment Service. The young men and their advisors are all part of the pilot project sponsored by two different state agencies.

To Launch New Opportunities for Parkview, Evansville and Brodhead Schools

According to Donald Albright, Grandville Vocational Education Coordinator, job placement services now become available to seniors, former students, and underemployed of three participating schools through a cooperative which is the effort of the Federal Vocational Education Act and Job Service Wisconsin.



Mark Healy (left) and Ron Harnack, both of Parkview, become acquainted with the job team and its every other day microfilm cards, listing available job openings in the area.



Young Parkview women approach National Job Service with confidence. Having their service permission, plus their own youthful skills and desire. Marilyn Johnson (left), awaits her interview as Dean Shipton asks her qualifications.



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Today's Work Forces:
Today's People . . .



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Checking Accounts	24-Hour Depository
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Home Mortgage Loans	Bank-By-Mail
Automobile Loans	Ample Parking
Business Loans	Master Charge
Farm Loans	Bank Automatic
Drive-In Teller Service	

EVALUATION

MARINETTE HIGH SCHOOL PLACEMENT PROJECT

FRANCIS F. STIGLBAUER
COUNSELOR-MARINETTE SENIOR HIGH
JUNE 24, 1976

CONTENTS

- I. OBJECTIVES
- II. STUDENT REFERRALS
- III. STUDENT EVALUATION
- IV. EMPLOYER EVALUATION
- V. GUIDANCE EVALUATION
- VI. RECOMMENDATIONS

APPENDIX A PLACEMENTS

APPENDIX B JOB PLACEMENT SURVEY FORM

II. Student Referrals

The initial student referrals were made to job service by staff counselors and were based on the following criteria:

1. They had no plans to go to college or to vocational school.
 2. They were not interested in the military service.
 3. They were interested in finding a job but had no idea of what kind, where or how.
- or
- They had no idea at all what they wanted to do.

A significant number of students ranked in the upper half of the class, however the majority were in the lower half.

These students were then interviewed at school by the Job Service representative (Carol Brumm). During this interview and follow up sessions Miss Brumm discussed the following:

1. Application procedures.
2. Suggestions for job interviews.
3. Occupational choices.
4. Employment possibilities in local area.
5. Employment possibilities statewide through the use of the Job Bank.
6. Future plans and goals.
7. Selection of potential places of employment.
8. Employer expectations.

During this time and outside the school environment, Job Service did the following:

1. Made numerous employer visits on behalf of students.
 2. Contacted many employers by phone.
 3. Provided follow-up support, both to the student and the employer after the student began work.
- During these contacts the students work adjustment, any conflicts, progress and job satisfaction were evaluated.

The counseling staff served as the original student referral source. They provided pertinent background information on the students, their ability and their school records. Numerous conferences were held with the Job Service representative and student follow-ups were initiated when needed.

III. Student Evaluation

A total of 38 job placement survey forms were returned by the students. Any discrepancy in the numbers quoted was caused by the fact that all students did not answer all questions.

2. You first heard of the job placement service from:

A. YOUR COUNSELOR	<u>13</u>
B. SCHOOL ANNOUNCEMENTS	<u>2</u>
C. JOB SERVICE REPRESENTATIVE	<u>4</u>
D. A FRIEND	<u>16</u>

What makes this question interesting is that 90% of the students were told about and referred to Job Service by the staff counselors.

3. Did you receive the help you needed for:

A. APPLYING FOR A JOB?	YES <u>25</u>	NO <u>5</u>
B. FILLING OUT APPLICATIONS?	YES <u>23</u>	NO <u>8</u>
C. YOUR JOB INTERVIEW?	YES <u>20</u>	NO <u>9</u>
D. FINDING A JOB	YES <u>26</u>	NO <u>8</u>

In most cases the no answers came from unsuccessful job candidates and to some extent from students using no to mean not applicable. (A job application was not needed therefore, a no was circled.)

Regardless, most students were aware of and thought they received the help necessary in these four important areas.

4. Has your attitude toward the world of work changed since your contact with Job Service? YES 16 NO 20

This is significant number of students to realize that their attitudes have been changed, especially when one considers the short duration of the project and the limited number of personal contacts made. A few comments by the students were:

"Always had same attitude"

"More responsibilities than I thought"

"I'm more willing to work"

"I knew what I was getting into"

"Because of little things that count in job interviews"

5. Are you happy with your job? YES 26 NO 6

Obviously a high percentage of job satisfaction, much of it due to careful job placement and follow up. A few comments by the students were:

"I like the kind of work I'm doing"

"I didn't get a job"

"Office is unorganized"

"Because I enjoy being with the public"

"Enjoyable and challenging"

6. Your overall evaluation of the job placement service is:

EXCELLENT	<u>20</u>
GOOD	<u>13</u>
FAIR	<u>2</u>
POOR	<u>1</u>

7. If circumstances were such that you were seeking employment, would you use Job Service again? YES 34 NO 3

8. Do you feel that Job Placement services should be continued? YES 35 NO 2

The statistics of numbers 6, 7, and 8 show an overwhelming endorsement of the project. Not only did the vast majority rate the program good or excellent, but they felt that they would use the services again if needed and 95% thought that the services should be continued for future students.

RANDOM QUOTES FROM THE STUDENTS

"It gave me alot more confidence about going out and applying for jobs."

"Everyone worked together to help you find a job. They didn't give up."

"Its real good for the beginning job seekers. They tell you what you should do and what to expect."

"Job Service should be a place for seeking names of employers who are looking for help. I feel much respect is lost by the employer and employee by "placing" a person at a job."

"I think it could work a little faster."

"I think it is a really great program. They really make an effort to find you a job."

"It's nice to have a place to turn to when jobs are so hard to find."

"Job Service didn't help me at all in seeking a job, so there seems to be no need for it. It's a waste of our money."

"It placed me in a job when I couldn't find one. Thank you."

"If more people knew how to use your job placement services, and use it wisely, more people would be working today."

"I think that it is an excellent program. There are alot of kids who need help in job searching and this program has helped alot of them."

"Job Service is really a good program and I think it should be continued."

IV. Employer Evaluation

An employer evaluation was ascertained by randomly selecting a cross section of employers ranging from the small local employer to the large nationally owned corporation. The eight employers contacted and interviewed concerning the job placement program were:

1. Aust n's Food Store
2. Goodyear Tire
3. Prince's Family Restaurant
4. Spurgeon's
5. Safeguard Industries
6. Vernco Corporation
7. FNT Industries
8. Marinette Marine Corporation

Most of the employers had a very positive view of the program. In general they were well satisfied with the quality of the workers and their job orientation. Several of them pointed out that in their opinion one of the major factors in the success of the program was the diligence and follow-up of the Job Service representative. Some employer comments that express this general consensus of the project were:

1. "A very fine program. I would be more than happy to continue to use it."
2. "It really helps me out. I don't have to hunt for good reliable help."
3. "I hired five of your students through Job Service. Four of them are still with us and are doing very well. Eighty per cent success is much higher than what we usually experience."
4. "Good idea. Get them working and off the streets."

There was one employer who expressed dissatisfaction with all federal and state funded projects and Job Service in general.

"We will find our own people. We don't want any help. I am sick to death of funded programs. We'll do our own evaluations and hiring."

Finally, there was one change in management and he would not venture any opinion at this time.

V. Guidance Evaluation

It is the general consensus of the counseling staff that the job placement project was an unqualified success. This decision was arrived at after careful consideration of all aspects of the project.

In particular, we have noted positive and significant results in the following ways:

1. A positive attitudinal change towards work was noted in many cases during subsequent vocational counseling sessions by the counseling staff.
2. Although the project was aimed at seniors, many underclassmen began to inquire about the program as its worth spread throughout the student body.
3. Each year the counseling staff conducts a year end survey of the future plans of the senior class. These figures are then compiled and charted. The record for the last four years shows a significant jump in the number of students already engaged in Permanent Employment.

1973	14.9 %	employed
1974	19.6 %	employed
1975	18.6 %	employed
1976	29.0 %	employed

4. The counseling staff noted that the Job Service representative was conscientious, hard working and had good rapport with the student body and staff.
5. At the time this evaluation was written, 92 students had been placed in full or part-time employment-- See Appendix A - for names and places of employment.

VI. Recommendations

The basic recommendation is to continue the program. This was arrived at after careful study of the positive results of the student placement survey, the consensus of the employer sample that was contacted and interviewed and the evaluation of the guidance department.

A second recommendation is that the program be developed into a year round project. The high success of the present limited program and the consensus of opinion expressed by the students and employers of the worth and need of the program warrants this.

A third recommendation is based on concerns expressed by several employers during their interviews and from the guidance staff. It is recommended that the high school placement project be kept as a separate entity from the regular Job Service. It is felt that one of the main strengths of this program was its total concentration on student placement and follow-up. This separation will help to ensure that the two programs do not mix. Mixing the two programs could result in ^{the} student project being overwhelmed by the parent program and lead to its dilution and/or demise.

APPENDIX A

PLACEMENTS:

SR 1.	Earen Gajewski (PT)	Farmers and Merchants Bank & Trust
SR 2.	Dobbie Pischke (PT)	Boucher's Bakery
SR 3.	Cheryl Ott (PT)	Prince's Platter Restaurant
SR 4.	Audrey McManara (PT)	Marinette Parks & Recreation Dept.
SR 5.	Peppy Anderson (PT)	Voluntary Action Center
SR 6.	Tammy Williams (PT)	Fish, Hat, and Twine
SR 7.	Nari Wickman (PT)	Fish, Hat, and Twine
SR 8.	Russ Ruggles (FT)	Marinette Marine Corp.
SR 9.	Ken Kohnen (PT)	Marinette Marine Corp.
SR 10.	Lori Kitzinger (PT)	Prince's Family Restaurant
SR 11.	Earen Rose (PT)	Prince's Platter Restaurant
SR 12.	Cheryl Ott (PT)	Vernco Corp. of Tennessee
SR 13.	Kathy Clermont (PT)	Vernco Corp. of Tennessee
SR 14.	Kim Suechler (PT)	Vernco Corp. of Tennessee
SR 15.	Dawn Riopelle (PT)	Vernco Corp. of Tennessee
SR 16.	Lori Walk (PT)	Vernco Corp. of Tennessee
SR 17.	Barb McGuire (PT)	Fish, Hat, and Twine
SR 18.	Bill Gleason (PT)	Tempo
UN 19.	Charlene Joransson (PT)	YMCA
SR 20.	Candy Schultz (PT)	Stouren's
SR 21.	Steve Reichl (PT)	Safeguard Industries
22.	Low Pantony (PT)	YWE - Salvation Army Store
SR 23.	Dave Menor (PT)	Safeguard Industries
24.	Nary Pantony (PT)	YWE - Voluntary Action Center
SR 25.	Bonnie Behrendt (FT)	AAE - Wisconsin Job Service
26.	Rich Sales (PT)	Prince's Platter Restaurant
27.	Dave Kovach (PT)	Prince's Family Restaurant
28.	Cindy Kallstrom (PT)	Dairy Queen
SR 29.	Callie Bourdelaie (PT)	The Ansal Company
SR 30.	John Bergold (PT)	Goodyear
31.	Mary Ann Hech (PT)	Dairy Queen
32.	Todd Kortbein (PT)	Blum's Standard Station
33.	Carrie Ochs (PT)	A & W Drive-In
34.	Diane Krueger (PT)	YWE - Marinette Co. Dept. of Social Services
SR 35.	Jean Nadsen (PT)	Austin's
SR 36.	Janet Grenier (PT)	Dr. Herbst
SR 37.	Doug LaRoy (PT)	Blum's Standard Station
38.	Scott Uecke (PT)	Happy Day Restaurant
SR 39.	Nary Jo Kaster (PT)	Peter Piper Nursery
40.	Kathy LaPrise (PT)	Spurgeon's
SR 41.	Brenda Polzin (PT)	Spurgeon's
42.	Scott Frederikson (PT)	Chip's of Marinette
SR 43.	Red Chaney (PT)	Blum's Standard Station
POST 44.	Del Bourdelaie (PT)	Marinette Public Schools
SR 45.	Dave LaKomv (PT)	Sherwin Williams Paint
46.	Lori Peterson (PT)	A & W Drive-In
47.	Scott Uecke (PT)	Pennay's, J.C.
48.	John Corry (T)	C. Victor (yard worker)
49.	Laurie Oslin (T)	Mrs. Trzebiatowski (babysitter)
SR 50.	Nary Jo Kaster (PT)	Safeguard Industries
SR 51.	Sherry Kuehnau (PT)	Prince's Platter Restaurant
SR 52.	Rosamerie Phillips (PT)	Everard's Flowers
53.	Guy Saper (T)	Mrs. Sleth (yard worker)
SR 54.	Kathy Place (PT)	YMCA

SR	55. David Dinges (PT)	D & S Mold
	56. Jim Demuse (PT)	Austin's
SR	57. Cathy Blystone (PT)	Natural Casine
	58. Guy Sager (T)	Mrs. Weisenborn(yard worker)
	59. Steve Chaney (PT)	Moore's Wink Ranch
	60. Jean LaFortune (PT)	Mrs. Sieth(cleaning)
	61. Bart Nienfans (PT)	Mrs. Weisenborn(yard worker)
SR	62. Becky Beckler (PT)	Civic Center
SR	63. Sue Babcock (PT)	Civic Center
	64. Michelle Bernardy (PT)	Dairy Queen
	65. James Doserath (PT)summer	Marinette Public Schools
	66. Donald Bjorkman (PT)summer	Marinette Public Schools
	67. Gregg Luhring (PT)summer	Marinette Public Schools
	68. Thomas Lieburn (PT)summer	Marinette Public Schools
UN	69. William Maddock (PT)	United Parcel Service
	70. John Bellisle (PT)	Chip's of Marinette
UN	71. Charlene Jorgensen (PT)summer	Rudahl's Laundry and Dry Cleaning
	72. Michelle Woodky (PT)	McDonald's of Menominee
POST	73. Eric Reiswitz (PT)	D & S Mold
POST	74. Steve Innocenti (PT)summer	Marinette Public Schools
TECH	75. Lynn Lantz (PT)	Marathon Electric-Wausau(JOB BANK REFERRAL)
SR	76. Larry Pace (PT)	D & S Mold
	77. Wendy Martinson (PT)	Mrs. Blandt(mother's helper & babysitter)
UN	78. Ken Freiss (PT)	Brothers Three
	79. Greg Anderson (PT)	Reinke's Restaurant
	80. Cochrine Seefeldt (PT)	T & T Supper Club
	81. Joanelle Drewory (PT)	YWE - Salvation Army
	82. Debra Holman (PT)	YWE - Salvation Army
	83. Steve Lance (PT)	YWE - UW-Center - Marinette
	84. Annette Briassette (PT)	YWE - City of Marinette Police Dept.
	85. John Bellisle (PT)	YWE - Forest Home Cemetery
SR	86. Judy Walker (PT)	YWE - Stenhenson Public Library
	87. Mary Kay Galewski (PT)	YWE - Marinette Parks & Recreation Dept.
	88. Sandy Hatton (PT)	YWE - Marinette Public Schools
	89. Linda Larson (PT)	YWE - Marinette Public Schools
	90. Dennis Neiswitz (PT)	YWE - Marinette Public Schools
	91. Diane McManara (PT)	YWE - Marinette Public Schools
	92. Cindy Hatton (PT)	YWE - Marinette Public Schools

SR - High School Senior
UN - UW-Center Marinette Student

POST - Post graduate
TECH - INTI Student

APPENDIX B

Help wanted!

DEAR _____

Is a member of the CLASS OF 1976 we need your help

Would you please fill out the enclosed survey and mail the stamped self addressed envelope to us before June 15th, 1976.

The purpose of this survey is to evaluate the job placement service that was offered to you this year through the joint efforts of the Job Service, the Guidance Department of Harinette High School, and the Local Vocational Education Coordinator.

Thank you for your cooperation and help.

Guidance Department - Job Service - L.V.E.C.

JOB PLACEMENT SURVEY - 1976

1. NAME
- HIDDEN NAME.....
- ADDRESS.....
2. YOU FIRST HEARD OF THE JOB PLACEMENT SERVICES FROM:
- A. YOUR COUNSELOR
- B. SCHOOL ANNOUNCEMENTS
- C. JOB SERVICE REPRESENTATIVE
- D. A FRIEND
3. DID YOU RECEIVE THE HELP YOU NEEDED FOR:
- | | | |
|------------------------------|-----|----|
| A. APPLYING FOR A JOB? | YES | NO |
| B. FILLING OUT APPLICATIONS? | YES | NO |
| C. YOUR JOB INTERVIEW? | YES | NO |
| D. FINDING A JOB? | YES | NO |
4. HAS YOUR ATTITUDE TOWARD THE WORLD OF WORK CHANGED SINCE YOUR CONTACT WITH JOB SERVICE?
- YES NO WHY _____
5. ARE YOU HAPPY WITH YOUR JOB?
- YES NO WHY _____
6. YOUR OVERALL EVALUATION OF THE JOB PLACEMENT SERVICE IS:
- EXCELLENT
- GOOD
- FAIR
- POOR
7. IF CIRCUMSTANCES WERE SUCH THAT YOU WERE SEEKING EMPLOYMENT, WOULD YOU USE JOB SERVICE AGAIN?
- YES NO
8. DO YOU FEEL THAT JOB PLACEMENT SERVICES SHOULD BE CONTINUED?
- YES NO
9. PLEASE COMMENT ABOUT THE JOB PLACEMENT PROGRAM
- _____
- _____
- _____



STATE OF MINNESOTA
RUDY PERPICH, GOVERNOR

GOVERNOR'S MANPOWER OFFICE

690 AMERICAN CENTER BUILDING
160 EAST KELLOGG BOULEVARD
ST. PAUL, MINNESOTA 55101
TELEPHONE: (612) 296-5050

April 27, 1977

Congressman Augustus F. Hawkins
Chairman
Subcommittee on Employment,
Opportunities, Committee on
Education and Labor

Senator Gaylord Nelson
Chairman
Subcommittee on Employment,
Poverty and Migratory Labor
Committee on Human Resources

Dear Gentlemen:

We are submitting this testimony on behalf of the Governor and Governor's Council on Employment and Training. We appreciate the opportunity to express our views on this very important legislation as well as on the larger issue of youth employment.

Governor Perpich as well as our Council have given priority attention to the problems of youth employment. Minnesota is to our knowledge the only state devoting significant state resources to funding of a summer youth employment program. Governor Perpich has requested that this program be increased this biennium from \$4 million to \$9 million.

We in Minnesota recognize the need to address the issue of youth employment and we view the bill before the Congress as a significant commitment to addressing the problem.

I again thank you for the opportunity to express our views. I hope our comments will be helpful in your task.

Sincerely,

Emil W. Marotzke
Emil W. Marotzke
Executive Director

EW:le

cc: Minnesota Congressional Delegation

NATIONAL
COUNCIL
OF JEWISH
WOMEN

45 EAST 26th STREET, NEW YORK, N.Y. 10040 (212) 532-4740

ESTHER R. LANDA, NATIONAL PRESIDENT

MARJORIE MERLIN COHEN, EXECUTIVE DIRECTOR

May 6, 1977

The Honorable Gaylord Nelson, Chairman
Subcommittee on Employment, Poverty and
Migratory Labor
Committee on Human Resources
U.S. Senate
Washington, D.C. 20510

Dear Senator Nelson:

I am enclosing a statement in support of Youth Employment legislation and would respectfully request that the statement be made a part of the record of the hearings recently held by your Subcommittee. You will note that the statement is submitted on behalf of the National Council of Jewish Women, National Council of Negro Women, National Council of Catholic Women, Church Women United and the GI Forum Women.

Sincerely yours,

Esther R. Landa
Mrs. Esther R. Landa
National President

Enc.

ERL:OM:bb

581

STATEMENT SUBMITTED TO THE SUBCOMMITTEE ON EMPLOYMENT,
POVERTY AND MIGRATORY LABOR, COMMITTEE ON
HUMAN RESOURCES, UNITED STATES SENATE

May 6, 1977

The National Council of Jewish Women, the National Council of Catholic Women, the National Council of Negro Women, Church Women United and the American GI Forum Women are joined together in an effort to reduce the extremely high rate of unemployment among youth.

For the past 12 years their members have contributed services to recruit and screen young women for the Job Corps and also to provide supportive services which include assistance in job placement.

All these organizations are greatly concerned about the rising rate of unemployment among youth. They are pleased that Congress is focusing its attention on the problem and endeavoring to develop solutions. There is a group of young people in our society whose need may not be met by various programs considered by your Committee. The young people who are unemployed and out of school, to whom the school environment is not congenial and, therefore, unsuitable for their further education and training. This group of young people has been served by the Job Corps for more than a decade in a fairly successful manner. Unfortunately, within the past few years there have been efforts to reduce greatly the program and the funds.

When the Job Corps program was established in 1964, its purpose was to provide intensive programs of education, vocational training, work experience, and supportive services in residential and non-residential settings. Its objective was to provide some solutions for the problems of the school drop-outs, the jobless, the delinquents and the impoverished young people who faced the future with no goals and no hope.

In the second year of the Job Corps operation over 42,000 enrollees were accommodated and an expenditure of \$303.7 million was authorized. Today, when there has been an alarming increase in youth unemployment, the Job Corps accommodates a little over 20,000, and had an authorized expenditure of \$175 million for the year 1975.

A nationally recognized economist, Dr. Sar A. Levitan, made a study of the Job Corps and published a book entitled A Social Experiment that Works. It is useful to review some of the conclusions of an objective and competent observer, such as Dr. Levitan.

Dr. Levitan concludes that the Job Corps remains an important and unique program in its overall impact on human development. Listed below are some specific comments, excerpted from the book A Social Experiment That Works, which support Dr. Levitan's conclusion:

It is a testament to the Job Corps that it survived the continuing attacks, but it hardly escaped unscathed. The tenth anniversary of the program offers a good take-off point for evaluating this unique social experiment. This volume traces the history of the Job Corps, describes its facilities and programs, and examines its successes and failures. Clearly, a great many of the half-million enrollees to date were not helped, but others gained a great deal, and their whole lives were redirected positively by the Job Corps experience. The challenge is to gain a balanced perspective on the program's impact and to draw useful lessons for salvaging youths from poverty homes who had failed in or been failed by the schools and other institutions.

What emerges is not a calculus of benefits and costs. Neither can be rigorously defined, much less measured. Instead, scattered evidence must be pieced together with many value judgments. There is no unequivocal proof of success or failure. However, the experience over a decade provides a reasonable degree of evidence that provision of residential facilities, including education and some training, is a proper, indeed an essential, element in a comprehensive program to help those who do not make it in their first chance to acquire the necessary education and training to function effectively in the complex American society.

Some critics have claimed that the program is too expensive, but measured against additional costs of the welfare rolls and the unemployment lines if we do not have a Job Corps, or if we have a greatly reduced program, it is not expensive at all. With an increase in either welfare or unemployment costs, the Government loses and the individual is no farther ahead. In Job Corps the individual profits from the training and the Government gains a more responsible citizen and taxpayer.

We are strongly committed to the Job Corps Program and we are distressed that its strength has been continuously reduced and that efforts have been made to reduce its effectiveness by delegating so much authority to the regions. Since it has been transferred to the Department of Labor, there have been efforts to change the national character of the program, in spite of Congressional intent as stated in the Report of the Committee on Education and Labor "...the Committee wants to assure those Members who have expressed an interest in the Job Corps that the new system of decentralized manpower programming in no way affects the continued national nature of the Job Corps program. Job Corps was included in this Act purely for administrative convenience, not for any substantive reason. Job Corps is maintained, as is, in a separate title and will continue to be operated and administered nationally as a special responsibility of the Secretary of Labor."

The reports we receive from our members who participate as volunteers in the program indicate the importance of maintaining the national nature of the program.

The list of functions which have been transferred to the ten regional offices during the past few years includes: contract negotiations, resource allocation, overall responsibility for center operations, staff training, monitoring and evaluation of the Job Corps effort in the regions, claims, discipline, legal assistance to Corps members, environmental inspection, responsibility for vocational training

-4-

at the centers, etc. The distribution of funds for the region is also under the jurisdiction of the regional office. Each regional office has become a mini national office and there are now eleven national offices instead of one. This, of course, seriously affects the uniformity of standards and creates great confusion for those who have to deal with the program.

The regionalization of the distribution of funds can create inequities. Because the funds must remain in a given region, they cannot be used elsewhere where the need may be greater than in a region which may not be in a position to utilize its entire allocation. Such an inequity also occurs in placing Job Corps applicants in centers. There may be openings in some regions, while there is a waiting list in another.

As women's organizations we are greatly concerned about young women among whom unemployment is more widespread than among men. Under the provisions of the Comprehensive Employment and Training Act of 1973, the Secretary of Labor was directed to take steps to achieve an enrollment ratio 50% women enrollees in the Job Corps. At the present time only 1/3 of the enrollees are women. We are happy to see that greater numbers of women are being accepted and that an attempt to reach the original goal of 50% participation is in progress. However, it is very disappointing that, because of the limited size of the Job Corps, the women are displacing men in the centers and thereby reducing the participation of men in the program.

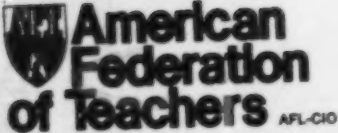
In many ways the Job Corps is a unique program. The participation of volunteers not only reduces the cost of the program, but adds a new dimension to the relationship of the Job Corps enrollee and the program on which the enrollee is about to embark.

-5-

As taxpayers the members of our organizations are willingly contributing their services which greatly reduce the cost of recruitment and screening. On the basis of available figures the cost per enrollee recruited by our organizations in one region is \$72, while those recruited by prime sponsors in the same region is \$135. In spite of such important savings the Department of Labor in many cases uses to a great extent the prime sponsors rather than the volunteers.

It is gratifying that President Carter recognized the effectiveness of the Job Corps and recommended a doubling of its size. Although S.1242 now before your Committee does not mention the Job Corps per se, we hope that it will become an integral part of the Youth Employment Program your Committee is now considering.

To alleviate the plight of the poor and reduce the economic crisis facing our nation today, emphasis must be placed on the development of employment opportunities. We feel that the Job Corps offers an effective means for young men and women to redirect their lives and prepare themselves for the world of work. We urge your Committee to recommend an expansion of the Job Corps and a directive to the administering Department to maintain the national nature of the program.



11 Dupont Circle, N.W.
Washington, D. C. 20036
(202) 797-4400

ALBERT SHANKER
President

April 28, 1977

The Honorable Gaylord Nelson
United States Senate
Washington, DC 20510

Dear Senator Nelson:

Because of the pressures of time, the Subcommittee on Employment, Poverty and Migratory Labor was unable to schedule the AFT for an appearance. I am sending for your information a copy of our statement delivered to the House Subcommittee on Employment Opportunity regarding Youth Employment proposals.

I hope it is possible for you to deal with some of the concerns expressed in our statement. Our recommendations regarding non-displacement of in-school youth, participation by local education agencies regarding the awarding of academic credit, and use of trained vocational education personnel in any program that grants credits was also supported by the AFL-CIO in its testimony.

We would be happy to furnish any additional information that you might request.

Sincerely,

Gregory A. Humphrey
Gregory A. Humphrey
Co-Director of Legislation

GAH:bdp
opeiu#2
aficio

Encl.

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STATEMENT OF THE
AMERICAN FEDERATION OF TEACHERS, AFL-CIO
FOR THE HOUSE SUBCOMMITTEE ON EMPLOYMENT OPPORTUNITY
REGARDING YOUTH EMPLOYMENT PROPOSALS.
by GREGORY A. HUMPHREY, CO-DIRECTOR OF LEGISLATION
Delivery Date: April 28, 1977

Mr. Chairman and Members of the Committee. I want to thank you on behalf of the American Federation of Teachers for the opportunity to present our views on this most important piece of legislation. In our view, youth unemployment is a subject that deserves the kind of attention that is now being addressed to it. There is no doubt that the inability of young people to find a job is a contributing factor in many other youth related problems, such as, delinquency, vandalism and violent crime. We also believe that lack of employment opportunities when young can affect a person for his entire working life. Unfortunately, much of what is being proposed deals with only part of the problem that unemployed youngsters face. We believe that one crucial element which is instrumental to a genuine solution of the problem, namely, the role of education and training is not being adequately considered. The bills that have been introduced on this subject all contain serious flaws, such as sub-minimum wages to non-student youths seeking employment. Others look toward wage subsidies to profit-making employers as a way to generate more jobs. These approaches will not resolve the problems. We believe that to be successful, a Youth Employment Bill must address long range problems of unemployed youth, such as, the lack

of job and basic educational skills. If not corrected, these problems will permanently hamper many afflicted individuals all the way through their employment careers. It is well to try to meet an emergency situation by providing temporary employment opportunities for unemployed teenagers and young adults, but, if that is all a youth employment program does in the long-run very little will have been accomplished. Some income will have been generated, a good thing in and of itself, but when the Federal dollars dry-up, things will be as before.

The goal of any program should be to help young unemployed teenagers become self-sufficient, employable adults. And, this cannot be achieved by simply providing temporary jobs funded by the Federal Government for as long as our national attention span is capable of focussing on the problem.

Statistics tell us that action is imperative and they clearly lead one to the conclusion that something must be done. One out of five teenagers are without jobs and one out of three among black teenagers. As of March, 1977, there were 9 million teenagers in the labor force (16 to 19 years old) and the official number of jobless was 1.7 million. In addition, the Joint Economics Committee estimates that 350,000 additional would have been in the labor market looking for jobs if jobs had been available. Among black teenagers the numbers are even more dramatic and are probably under-stated because the statistics show that the participation rate for black teenage males in the labor force is 35% while the rate for white teenage males was 57%. Participation among black teenage females is 26% and white teenage females is 50%. These figures indicate

a substantial number of youth with a need for jobs who are too discouraged to even look. The two major recessions which occurred during the last seven years exacerbated this problem, but statistics indicate that even a prolonged and healthy recovery will not, by itself, solve this problem. In the post World War II period, the unemployed rate for teenagers has consistently ranged from $2\frac{1}{4}$ to $3\frac{1}{4}$ times the national unemployment rate. Direct job creation must be initiated to begin to solve this problem and we applaud the Administrations' initiative reflected in H.R. 6138 of providing \$1.5 billion over an 18 month period. Jobs are needed, but jobs alone cannot solve the problem.

We urge that this proposal be amended so that the youth employment opportunities provided do not become one more step on the way to permanent marginal status in the job market.

First, the program should contain an absolute prohibition against youngsters leaving school to participate in the jobs provided. We have no doubt that an employment program for youngsters even at minimum wage levels could act as a magnet drawing 16 to 18 year old students out of the public education system. Income needs could create irresistible pressure in that direction. The reason for this is economics at its most basic level. For youngsters who have never had a job, the independence that having an income provides will be tempting. It can lead to dropping out of school in order to pursue full time employment, or it can lead to a short changing of one's education by detracting from the necessary amount of time needed to see to it that educational work does not suffer because of the time devoted to the job. It can also blind one

to the fact that in the long-run additional job and education skills will be needed for success in our economy. Regarding our first major suggestion for H.R. 6138, that an absolute prohibition against any teenagers dropping out of school to participate in a youth employment job be enacted. The language found in Section 803b (1)(A) is simply not strong enough. It should be changed to reflect a statutory requirement that any youth that entered the program while in school must continue in school as a condition of continued enrollment in the program. There are examples of what can be done in the Vocational Education Act. As mentioned earlier, we find the training aspects of H.R. 6138 to be inadequate. More time and effort should be devoted to providing job training, possibly including basic education skills, than is contemplated in the bill.

The Education Amendments of 1976, Public Law 94-482, made great strides toward better coordination between CETA programs and the Federal Vocational Education Program. In fact, the statement of purpose for the Vocational Education Act says, "It is the purpose of this part to assist states in improving planning through the uses of all resources available to them for vocational education and manpower training by involving a wide range of agencies and individuals concerned with education and training within the state and the development of the education plans." Clearly this should include any youth employment and training program.

Section 121, Vocational Education Work Study goes on to authorize Federal grants to states to assist them, "to provide part time employment for youths who need the earnings from such employment

to continue their vocational training on a full time basis, so that persons of all ages and all communities of the states, those in high school, those who have completed or discontinued their formal education and are preparing to enter the labor market, those who already entered the labor market, but need to up-grade their skills or learn new ones."

This description of vocational education services to be provided through the Vocational Education Act cannot and should not be ignored in any program attempting to deal with youth employment problems. The law goes on to require that all applications for funding to the Commissioner, "shall describe with the activities proposed in the application related to manpower programs conducted in the area by a prime sponsor under the CETA Act of 1973, if any, to assure a coordinated approach to meeting the vocational education and training needs of the area or community." Section 106a (4) (C) and (5)(A), "The state shall in considering the approval of such applications give priority to those applications which (i) are located in economic depressed areas and areas with a high rate of unemployment and are unable to provide the resources necessary to meet the vocational education needs of those areas without Federal assistance." The law goes on to state, "that the two most important factors that the state shall use in distributing educational funds are the abilities of the area local education agencies to provide services relevant to the number of concentration of low income families or individuals within such agencies." In short, what we are describing is a vocational education program

designed to make vocational education more available and more relevant to precisely the type of person that the Youth Employment Act is also seeking to help. Simply, in terms of using funds in the most efficient, cost-effective way, it would be folly if CETA prime sponsors did not attempt to maximize the amount of cooperation between LEA's and prime sponsors for the purpose of assuring an adequate training program for unemployed youths. We believe the law should presume that training programs be run through the appropriate LEA unless there is good and sufficient reason not to.

Section 121 also contains many sound requirements that should be applied to the youth employment program, such as, assurances that in-school students who participate are in the "opinion of the appropriate school authorities capable of maintaining a good standing in a vocational program while employed. In addition, each state must adopt a policy and procedure which assures that priority is given to the applications received from local education agencies serving communities having substantive numbers of youth who have dropped out of school or who are employed..." Section 122 of the Vocational Education Act requires that the establishment of cooperative vocational programs to help local education agencies with the participation of private and public employers establish programs that provide on-the-job training relating to existing career opportunities susceptible of promotion and advancement.

We applaud the language found in Section 814 and 815 regarding the use of appropriate and adequately trained personnel as supervisors. We would urge that these personnel should relate to the existing vocational education structure in those cases where the jobs or training to be provided is comparable to the training already available in the vocational education program. There is adequate reason for using certificated vocational education instructors but it is absolutely crucial considering that the other part of Section 815 and Section 852 make provision for the awarding of academic credit for work performed.

We do not believe it is correct to make decisions in Washington as to whether or not work performed under this program is truly worthy of academic credit. We suggest that any provision of academic credit be awarded through the appropriate local education agency. Regulations promulgated by the Secretary of Labor, even in coordination with the Secretary of the H.E.W., cannot substitute for the necessity of keeping this decision as the responsibility of state and local education agencies.

It would be sheer folly to start another youth employment program that is unrelated to so many of the good features of vocational education. It has been argued during the last campaign that many Federal programs overlap with each other, offer contradictory directions and duplicate services. This is an opportunity to make sure that a new and important government initiative does not run afoul of this problem. There is also much that is currently being done in the schools about youth employment.

We urge that Hearings be held to investigate what is currently in place and how it works. The effectiveness of this program can only be maximized in the long-run if this is done.

In conclusion, we ask that the youth employment program be authorized so that it expires with the rest of CETA. We believe that many of the assumptions that were made in 1973 are no longer valid and that much could be done to improve the Act. We also believe that all of the aspects of CETA, such as, Youth Employment, Public Service Employment and Job Training should be coordinated for maximum effectiveness. These decisions cannot be made in isolation from each other.

Thank you for the opportunity to present our views. We will be happy to answer any questions.

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 715 330-2844

March 4, 1977

U.S. Senator Gaylord A. Nelson
 221 Russell Office Bldg.
 Washington, D.C., 20210

Dear Senator Nelson:

I have recently been assigned the position of Title III Summer Youth Program Coordinator for Northwest Wisconsin CEP, Inc.. My concern at this time is planning and coordinating the various aspects of this program. I would like to make you aware of the increased difficulty of planning such a project when Title III funds are not awarded directly to this CEP. As prime sponsor for this area I believe we should be treated like any other prime and funded directly.

Last week I attended a Youth Seminar in Madison, Wisconsin which place great emphasis on Youth Programs. If we are to implement these increased Youth activities our hands must not be tied by having to negotiate with Balance of State for needed funds.

I appeal to you to help make the necessary changes that would eliminate this difficulty in the future. Thank you for letting me share this concern with you and I trust you will look into the matter.

Sincerely,

Steve Terry
 Steve Terry
 Title III
 Coordinator

ST/ph

Labor/Ashland

March 22, 1977

MO-103

Mr. Steve Terry, Title III Coordinator
Northwest Wisconsin C.E.P., Inc.
618 West Second Street
Ashland, Wisconsin 54806

Dear Mr. Terry:

Thank you for your letter regarding the Summer Youth Program.
I appreciate your taking the time to let me know of your new
position and of your interest in the in changes in the program.

I have asked a member of my staff to look into this matter and
contact appropriate individuals in the Department of Labor and
the State Manpower Council's office. As soon as this material
is collected, I will be back in touch with you.

In the meantime, be sure to let me know if I can be of help
on any other matter.

Sincerely,

GAYLORD NELSON
U.S. Senator, Wisconsin

GN:erk

WD-109

April 4, 1977

Mr. Richard C. Wagner
Deputy Director
State Manpower Council
30 on the Square
Madison, Wisconsin

Dear Mr. Wagner:

Pursuant to our telephone conversation of April 4, enclosed please find a letter from Mr. Steve Terry, Title III Coordinator in Ashland, Wisconsin.

I would greatly appreciate it if you could provide me with some background information on this subject. Please send correspondence to 570 Federal Building, Milwaukee, Wisconsin; 53202.

Thank you for your attention to this matter.

Sincerely,

JEANNINE RIPPMA
Federal Projects Caseworker
for Senator Gaylord Nelson

Enclosure



State of Wisconsin \ GOVERNOR'S MANPOWER OFFICE

Governor Patrick J. Luty

April 15, 1977

PHILIP E. LERMAN
EXECUTIVE DIRECTORRICHARD C. WEGNER
DEPUTY DIRECTORRE: REPLY TO
MADISON, WISCONSIN STATE
PHONE 400-26421

Ms. Jeannine Sipma
Federal Projects Caseworker
570 Federal Building
Milwaukee, Wisconsin 53202

Dear Ms. Sipma:

I agree with Mr. Terry that Title III funding should be made directly by the Department of Labor and not through the Balance of State Prime Sponsor. This is an extremely cumbersome process which includes:

1. Receiving an allocation from DOL
2. Using a formula acceptable to DOL to distribute funds between 49 Balance of State and 10 Northwest CEP counties
3. Notify DOL of CEP's allocation and give authorization to have funds deobligated from BOS's funding allocation and reobligated to CEP.

It would be much simpler if DOL did the computation. This same cumbersome procedure also has to be followed for the allocation of Title I funds.

The Federal Register 95.2(b) describes the eligibility for Prime Sponsor basic allocations which is 80% of the Title I funds. CEP's are not eligible from this source, rather they receive Secretary of Labor discretionary funds. Section 95.3(e) states that no state...can serve an area in another Prime Sponsor's area. Based on the two sections mentioned above DOL has determined that although CEP receives discretionary funds that they are also eligible for base Title I funds which must come through the Balance of State allocation although the state is prohibited from operating a program in another Prime Sponsor's area. Therefore the gymnastics described in Mr. Terry's letter are put in place by DOL to insure that a CEP receives base funding. Since eligibility for Title III funds is on the basis of Title I eligibility from base funding, again CEP must come through the Balance of State.

If you can assist in simplifying the allocation procedure, both the Balance of State and CEP would be grateful. If I can be of further assistance please let me know.

Sincerely,

RICHARD WEGNER
Deputy Director

600



Telegram

WFB210 WAB109(1722)(R-05)000E(11)PD 04/21/77 1722

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6177254438 TONY BOSTON MA 519 04-21 0922P EST

PRO SENATOR GAYLORD NELSON CHAIRMAN SUBCOMMITTEE UNEMPLOYMENT,
POVERTY AND MIGRATORY LABOR SENATE COMMITTEE ON HUMAN RESOURCES

US SENATE

US SENATE

WASHINGTON DC

I WANT TO URGE YOUR COMMITTEE TO TAKE QUICK ACTION IN GRANTING
APPROVAL TO THE YOUTH EMPLOYMENT AND TRAINING ACT OF 1977 PRESENTLY
UNDER CONSIDERATION

THE CITY OF BOSTON HAS A LARGE POPULATION OF UNEMPLOYED MEN AND
WOMEN IN DIRE NEED OF ASSISTANCE TO SECURE MEANINGFUL EMPLOYMENT AND
TRAINING. PRESENT STATISTICS SHOW 48.5 PERCENT OF BOSTON YOUTH 14
TO 19 YEAR OLD MALES ARE UNEMPLOYED; WHILE 18.6 PERCENT OF OUR WHITE

07-1071 (00-00)



Telegram

MALES IN THAT AGE BRACKET HAVE JOBS. AMONG YOUTH BETWEEN 19 TO 24,
18.6 PERCENT OF OUR NONWHITE MALES ARE OUT OF WORK, AS ARE 18.5
PERCENT OF WHITE MALES. UNEMPLOYMENT AMONG YOUNG FEMALES IN THIS
CITY MEASURES 22.5 PERCENT OF 14 TO 19 YEAR OLD BLACKS, 13.4 PERCENT
OF 15 TO 19 YEAR OLD WHITES, AND 7.9 PERCENT OF 19 TO 24 YEAR OLDS
BOTH BLACK AND WHITE.

THE FIGURES DRAMATIZE THE SERIOUSNESS OF OUR CITY SITUATION. WITHOUT
LOCAL TAX RESOURCES STRETCHED BEYOND THE BREAKING POINT AND THE
STATIC TRENDS IN OUR PRIVATE LABOR MARKET THERE IS LITTLE PROMISE OF
A PROMPT OR SIGNIFICANT INCREASE IN JOB AVAILABILITIES FOR BOSTON'S
YOUNG PEOPLE WITHOUT FEDERAL ASSISTANCE. OTHER MAJOR CITIES HAVE
PROBLEMS SIMILAR TO THOSE OF BOSTON AND HAVE THE NEED OF FEDERAL
AID. THE THREE PART YOUTH PROGRAM OUTLINED BY PRESIDENT CARTER ON

07-1071 (00-00)



Telegram

MARCH 9, 1977 WILL GO A LONG WAY TOWARD PROVIDING THAT ASSISTANCE.

I AM GRATIFIED THAT THE PRESIDENT IN THE CONGRESS ARE MAKING YOUTH EMPLOYMENT A PRIORITY ISSUE. FOR I BELIEVE THE YOUNG ARE OUR NATION'S MOST IMPORTANT AND MOST UNDERUTILIZED RESOURCES. I DO HAVE RESERVATIONS CONCERNING SPECIFIC ELEMENTS IN PRESIDENT CARTER'S PROGRAM AND REQUEST YOUR COMMITTEE MEMBERS GIVE SERIOUS CONSIDERATION TO THE FOLLOWING POINTS IN PREPARING A FINAL BILL.

1 - THIS LEGISLATION SHOULD GUARANTEE THAT BOTH FORMULA AND DISCRETIONARY MONEY AUTHORIZED FOR THESE PROGRAMS BE TARGETED TO SERVE OUR NATION'S INNERCITY YOUTH MOST IN NEED OF ASSISTANCE.

2 - THE COMMITTEE SHOULD DETERMINE WHETHER THE HEAVY RELIANCE ON THE

GP-1201 (20-00)



Telegram

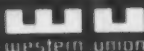
SECRETARY OF LABOR'S DISCRETIONARY AUTHORITY IS THE BEST WAY TO INSURE EFFICIENT, EFFECTIVE AND TIMELY EXPENDITURE OF THESE FUNDS.

3 - PRIME SPONSORS SHOULD BE GIVEN MORE SPECIFIC INFORMATION ON THE AMOUNT OF FUNDS THEY MAY BE ELIGIBLE FOR TO ALLOW MORE RATIONAL COST-EFFECTIVE AND FLEXIBLE LOCAL PLANNING.

4 - THE UNEMPLOYMENT AND POVERTY DATA USED FOR DETERMINING ELIGIBILITY AND ALLOCATIONS SHOULD BE ADJUSTED TO REFLECT YOUTH SPECIFIC INFORMATION RATHER THAN ADULT ORIENTED DATA

5 - PROVISION IN PART B IS PROVIDING FOR EVERY STATE TO RECEIVE AT LEAST ONE HALF OF ONE PERCENT OF ALLOCATED FUNDS SHOULD BE EXTENDED TO PART A AS WELL

GP-1201 (20-00)

**Telegram**

6 - THE NATIONAL YOUTH CONSERVATION CORP CREATED BY PART A SHOULD DIRECT ITS ACTIVITIES TO URBAN PARK LANDS, AS WELL AS TO STATE AND NATIONAL PARK SITES

7 - THE LEGISLATION SHOULD MANDATE THE ROLES OF THE GOVERNMENT TO FACILITATE CLOSER COOPERATION BETWEEN STATE AGENCIES AND PRIVATE SPONSORS IN DEVELOPING YOUTH EMPLOYMENT STRATEGIES.

I APPRECIATE YOUR TAKING AN ACTIVE AND POSITIVE ROLE IN EXHIBITING CONGRESSIONAL ACTION ON THIS ESSENTIAL LEGISLATION. THANK YOU FOR ALLOWING ME TO EXPRESS MY OPINION

KEVIN H WHITE MAYOR OF BOSTON

WUWU

GP-1201 (700-40)



Founded 1875

1319 Eighteenth Street NW Washington DC 20036 telephone (202) 467-5810

April 20, 1977

The Honorable Gaylord A. Nelson, Chairman
 Subcommittee on Employment, Poverty and
 Migratory Labor
 Senate Committee on Labor and Public Works
 Washington, D. C. 20510

Dear Senator Nelson:

Was unable to get on the witness list to testify on S. 1242 to create a Young Adult Conservation Corps at the April 20-22 hearings, but want to get The American Forestry Association on record in support of this legislation.

AFA for several years has been recommending the creation of a modern-day Civilian Conservation Corps. We have testified before both House and Senate Committees in the 93rd and 94th Congresses. There is little we can add to our earlier testimony (copy of latest is enclosed), but I would like to emphasize a few key points:

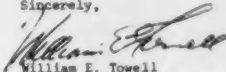
1. Conservation work is highly labor intensive.
2. Federal and State forestry agencies can provide employment opportunities in rural areas, where other civil works projects are scarce.
3. The Civilian Conservation Corps was one of the most popular of the depression era programs and left more tangible and lasting accomplishments than any other activity.
4. The success of the Youth Conservation Corps almost assures the success of a Young Adult Conservation Corps. It would be politically and publicly popular.
5. A YACC program could be implemented quickly. The U. S. Forest Service, for example, could put 50,000 young people to work within 90 days and has a backlog of labor intensive projects that could use up to \$400 million within a year or two.
6. Flexibility is the key to success of the program. We should not think of stereotype camps of the 1930's where 200 enrollees are housed and fed. Instead, work crews in rural areas could be variable in size and transported by buses and cars or housed more economically in commercial facilities. Where available, military camp facilities could be used.

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7. Administration of the program should be with the resources agencies responsible for the work projects. Great opportunities exist for state conservation activities through the appropriate federal agencies (Forest Service, National Park Service, Fish and Wildlife Service, etc.). The Department of Labor might be the overall coordinator of YACC, but the resources agencies must play a key role.

We hope these few comments may be of some help to the Committee and again urge prompt and favorable action on this legislation.

Sincerely,



William E. Towell
Executive Vice President
The American Forestry Association

enclosure

Statement
of
The American Forestry Association
1319 - 18th Street, N. W. - Washington, D. C. 20036
before
House Committee on Education and Labor
on
H.R. 10138 - "The Adult
Conservation Corps Act"

November 18-20, 1975

Mr. Chairman and members of the Committee, I am William E. Towell, Executive Vice President of The American Forestry Association, the nation's oldest national citizen conservation organization, now celebrating its 100th anniversary. During the past century AFA has been instrumental in the development of many programs and policies for the benefit of our nation's forest lands. Among the accomplishments to which we point with pride was our key role in the establishment of the Civilian Conservation Corps under the Administration of President Franklin D. Roosevelt. The works of that program are still evident today throughout our National Forests and National Parks. We are again faced with a situation at least reminiscent of the circumstances which led to the creation of the C.C.C. Men are out of work and need jobs to support themselves and their families. And, we are told, there are many worthy projects on our public lands not being done for lack of funds and manpower.

May I quote from an editorial which appeared in American Forests magazine last December?

"AFA calls for new C.C.C. Following is the text of a telegram sent to President Gerald R. Ford on October 1, 1974:

"Meeting now at Mackinac Island, The American Forestry Association votes to commend to you the strong desirability of using presently proposed public service employment on federal, state and local public forests. Should you direct the U. S. Forest Service to activate a national program to utilize manpower on conservation projects we are assured that the program can be implemented without delay. Long-term benefits for our country will result from forest improvement projects. Growing pressures on public forests for quality water supplies, recreation, hunting and fishing, forest products and minerals have generated a large backlog of high priority conservation work which if further neglected will create timber shortages, higher timber prices and resource erosion. A new program of public employment in American forests assures you the dual advantage of fast implementation and lasting results. We pledge the interest and support of our hundred-year-old national conservation organization."

"Pointing to the deteriorating economic situation worldwide, AFA Directors observed that the prospect of new public works programs is imminent and that the revival of a Civilian Conservation Corps type effort would help cope with urgent conservation needs on public lands. On the National Forests alone, three million acres need to be reforested. In dispatching the telegram, President Voigt Gilmore recalled that the AFA, more than any other organization, was responsible for the

establishment of the C.C.C. in the days of the Great Depression. 'That citizens must tighten their belts is today self-evident,' President Gilmore said, 'but there are those of us in AFA who also recall that the Great Depression resulted in some of the greatest gains on National Forests and other public lands in American history. In our efforts to cope with a worsening situation, it is our hope President Ford and the Congress will join us in reviving a great landmark project like the C.C.C., that served this nation notably. Many senior citizens of today who are serving as mayors of towns and cities, serving in Congress, and running big business organizations got their start in the C.C.C. planting trees, building roads and trails, bridges, checking soil erosion and in carrying out dozens of other worthwhile programs. The program not only rehabilitated people, it rehabilitated land and in our opinion it is needed again and now.'

An adult Civilian Conservation Corps program would create public service jobs in rural areas where unemployment is a difficult problem. Urban unemployment is more easily dealt with because the unemployed are more concentrated and there are many more opportunities for public works projects in the cities. At the same time, a Civilian Conservation Corps would contribute to better management and care of natural resources on federal and state lands. By amending the Youth Conservation Corps Act to include young adults on a year-round basis, H.R. 10138 would create a permanent vehicle for dealing with two serious problems at one time, unemployment and conservation.

This proposal is enhanced, Mr. Chairman, by a ready backlog of conservation job opportunities on the National Forests and on other public lands under cooperative agreements with the U. S. Forest Service. For example, at my request, the Forest Service identified projects totaling \$67 million over and above regular budgeted programs ready to begin now if emergency funds were made available. They include such activities as forest fire protection (fuel treatment), reforestation and timber stand improvement, forest roads and trails, recreation construction, recreational use, and research facilities construction in rural areas. State forestry agencies could provide similar projects on state and private lands of equal public value and conservation purpose.

The Youth Conservation Corps and the Job Corps already have proven the worth of modern day Conservation Corps programs. By employing young adults through the ages of 19 and 23 we could achieve much more conservation work and help with a serious unemployment age group.

There should be no conflict with these other work programs and conservation activities could be greatly expanded.

H.R. 10138 presents two serious problems that must be resolved. The first is the lack of detail on housing, feeding and supervision of Young Adult Conservation Corps volunteers. It does not seem practical with today's costs of construction, maintenance and operation to build and operate camps as we knew them in the C.C.C. days of the 1930's. The costs would seem prohibitive unless, of course, suitable military or other camp facilities already are available and properly located. Today's ease of transportation would make it more economical, I would think, to either use existing housing facilities or else to require enrollees to commute to and from home to their jobs. Army run camps and temporary construction with questionable sanitation facilities were all right during depression years, but would not be acceptable today. There may be some isolated projects which might prove exceptions, but I would recommend that a modern day C.C.C. not try to duplicate the camps of the '30's.

- 3 -

The other problem which bothers me greatly is the price tag assigned to this legislation. Annual authorizations beginning at \$700 million and reaching \$3 1/2 billion in the fourth year frighten me. I would be interested in knowing how much of this authorization would be for camp facilities as contrasted to compensation to C.C.C. enrollees. Perhaps with less costly plans for housing and/or transportation a greater portion of appropriated funds could go to salaries and project materials where it is most needed. The legislation is not clear on this allocation of costs.

However, I do not want these reservations to detract from The American Forestry Association's support for this adult C.C.C. type program. We strongly favor the use of unemployed labor for conservation purposes and predict a very successful program if the authorization and funding are forthcoming.

Thank you for this opportunity to express our views.

Senator NELSON. The hearing is now adjourned.
[Whereupon, at 12:30 p.m., the subcommittee adjourned to reconvene subject to the call of the Chair.]

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